DESTINATION RESORT PLAN

DUNVEGAN • PEACE RIVER

MARCH, 1989

Alberta
TOURISM

91-06722/

Alberta
TOURISM

Office of the Deputy Minister

18th Floor, 10025 Jasper Avenue, Edmonton, Alberta, Canada T5J 3Z3 Telex 037-3651 403/427-4368

TO WHOM IT MAY CONCERN

The Government of Alberta recognizes that tourism is a major economic factor in the Province. Certain facilities developed by the Provincial Government have the potential to capitalize on the growth of tourism and function as a tourism generator. Such a facility is the Provincial Historic Site at Dunvegan.

The following consultant's report examines the tourism impacts of the development of the historic site. This Tourism Destination Resort Plan reviews the impact and relationship of this tourism generator to local and regional tourism frameworks. The plan assesses existing tourism resources, potential tourism markets, regional requirements and opportunities, economic impacts and the potential roles of various participating sectors.

It should be noted that this study was conducted by an independent consultant commissioned by Alberta Tourism and does not represent government policy nor any commitment to implementation at this time.

If you have any comments relative to the report please forward them to:

Regional Planning Unit
Destination Planning Branch
16th Floor, 10025 - Jasper Ave.
Edmonton, Alberta
T5J 3Z3

Additional copies of the report are available by contacting the above address, or by telephoning 427-2501.

Sincerely,

Bernard F. Campbell
Deputy Minister

ACKNOWLEDGEMENTS

This Destination Resort Plan was produced in March, 1989 for the Alberta Department of Tourism. It is an advisory report and does not necessarily represent the policies or opinions of that department.

The report was prepared by the Equus Consulting Group Inc. in association with EDA Collaborative Inc.. The project team included:

Bill McMillan, manager and senior planner
Anne Holtz, planner
Dr. James Dunn, senior marketing specialist
Burn Evans, marketing and research specialist
Ted Muller, landscape architect
Don McIntyre, landscape architect
Dick Meanwell, C.A., feasibility analyst
Yvonne Spanton, research specialist
Randy Berg, production supervisor
Sherri Berg, typesetter

Thanks to the many who helped by providing information on short notice. Special thanks to Colin Jeffares and Al McCully of Alberta Tourism who provided direction and guidance throughout.

TABLE OF CONTENTS

PLAN SUMMARY

CHAPTER 1. Purpose of Plan.....page 1

CHAPTER 2. Description of Region .....page 2
- 2.1 Definition of Study Area
- 2.2 Access and Travel Patterns
- 2.3 Existing Recreational Visits
- 2.4 Tourism Attitudes, Awareness and Service

CHAPTER 3. MARKET ANALYSIS .....page 7
- 3.1 Potential Market Size
- 3.2 Key Market Segments
- 3.3 Market Perceptions of the Region
- 3.4 Local Population Trends
- 3.5 External Trends

CHAPTER 4. REGIONAL REQUIREMENTS .....page 11
- 4.1 Tourism Attractions
- 4.2 Tourism Facilities
- 4.3 Tourism Services
- 4.4 Promotion and Image

CHAPTER 5. ROLES OF PARTICIPATING SECTORS .....page 13
- Provincial Government
- Private Sector
- Municipal Sector
- Non-Profit Sector

CHAPTER 6. PROVINCIAL TOURISM GENERATORS: DUNVEGAN .....page 15

CHAPTER 7. REGIONAL TOURISM GENERATORS .....page 19

CHAPTER 8. RECOMMENDATIONS .....page 23

CHAPTER 9. CONCLUSIONS .....page 25

DUNVEGAN • PEACE RIVER SUMMARY

1. TOURISM POTENTIAL OF STUDY AREA

The study area is illustrated in Figure 1, attached to this summary report. It includes the Dunvegan Early Mission and Fur Trade Site, and all major communities within one hour of the site. This study assessed the benefits of developing Dunvegan as a provincial tourism generator, and a fully serviced campground and resort hotel as potential regional generators.

Opportunities

The major tourism attractions in the area are the valleys of the Peace River and its tributaries. These valleys combine a number of features that make them appealling to tourists. The most important characteristics are listed below in priority order:

1. **excellent scenic views,**
2. **diverse natural environments,**
3. **land and water recreation opportunities, and**
4. **historical sites.**

There are few sites along the Peace River where these sites can be capitalized, since access to the valley is limited. Two locations in the study area combine all of these strengths and therefore make ideal potential tourism generator locations. One is the Dunvegan crossing site, already chosen as a potential tourism generator site. The other is the west bank of the Peace River, adjacent to the Town of Peace River. Both sites benefit from having excellent highway access.

Responses from focus groups informed us that people are willing to travel to the Peace River area from Edmonton, Saskatoon and Calgary. Seniors are attracted by a historic site development, but family groups suggested that they would only travel if there was a range of family recreation opportunities. They would then take in the historic site, as part of their trip. There was significantly more resistance to travelling north from Calgary than from the other two centres.

Concerns

In our opinion, the major impediments to tourism development in the area are:

1. **Short warm season**
2. **Lack of known activities**
3. **Distance from major markets (travelling time)**
4. **Lack of tourist-quality services**

Despite these impediments, we believe that tourists can be attracted to the area in increasing numbers. The barrier that concerns us, in terms of the viability of tourist attractions is the short warm season. There is not enough evidence that this area can create tourist demand during the cold months, and the operating season is too short to support most resort developments.

2. HISTORIC DUNVEGAN: PROVINCIAL TOURISM GENERATOR

Historic Dunvegan has significant potential to become a tourism generator for the region. This year, it attracted 18 000 visitors, and the three buildings on site are not yet fully restored. The Department of Culture could spend as much as $17 000 000 on the site to finish the restoration process and to fully reconstruct the original Hudson Bay Company fort, and construct an interpretive centre. This would result in an impressive historic site, currently unequalled west of Winnipeg.

If this work were completed, we estimate that the site would attract approximately **84 000** visitors in 1994. Of these visitors, we estimate that **56 000** will be visitors from outside the study area who have either been attracted into the area by this site, or have varied from their travel route to see it. Assuming these visitors spend an average of one day in the region to accomodate their trip to Dunvegan, they will generate an

estimated **$3 024 000** in local expenditures annually. As well, the expenses of running the site will generate another **$1 200 000** annually. This will create approximately **110 local jobs** annually.

However, achieving these benefits will be dependent upon effective promotion of the site as part of the Peace River attraction. It will also depend upon the simultaneous development of tourist accomodation and recreational attractions in the area.

3. CAMPGROUND RESORT: REGIONAL TOURISM GENERATOR

We assessed the potential to locate a tourism destination resort consisting of 120 fully serviced campsites, and related land and water based recreational opportunities. The two locations that lend themselves to this kind of development are:

1. **adjacent to Historic Dunvegan, and**
2. **at the base of Misery Mountain, adjacent to the Town of Peace River.**

The former site is a better peak season attraction site, but the latter site provides more opportunities for poor weather and cold weather recreation.

This sort of attraction will fulfill a significant demand in the Peace River area. Although there are over 800 campsites available within a 3 hour drive, none of these sites is fully serviced. The most recent tourism demand study (South Peace Planning Commission, 1988) indicated that **83 percent of the summer visitors to the area participate in camping**. We estimate that by 1994, there will be a potential demand for **84 000** site rental nights of camping in the area. Given this large demand, we believe that the market can be segmented, and that a significant portion of the market will pay increased fees for full services.

Based upon the relatively high demand, and the development of a unique attraction in the Peace River valley which offers a wide range of recreational opportunity, we estimate that this sort of development would attract **8 060** site rental nights, or approximately **24 000** visitors. Of these visitors, we estimate that **19 000** (79%) will be attracted to the area for an extra night, resulting in **$1 045 000** expended locally each year. This total expenditure will result in an estimated **21 jobs** annually.

The success of this campground development is highly related to the presence of highly attractive recreational opportunities in close proximity.

There is good reason that no fully serviced campsites are currently available in the region. The potential tourist season is too short, and too vulnerable to weather conditions, to make this a reasonable capital risk for most entrepreneurs. However, the lack of such a development is a significant barrier to tourism development, and the impact of the development on tourism expenditures would be significant.

4. RESORT HOTEL: REGIONAL TOURISM GENERATOR

There are no deluxe tourist hotels within the Peace River valley, and this shortcoming is a barrier to tourist attraction. Tourists cannot simply be placed in local accomodations developed for field service workers. The presence of a deluxe hotel, in association with recreational and cultural attractions, would enhance the destination appeal of the Peace.

A significant portion of the travel market would choose a hotel resort destination if one were available. The development of attractions such as Historic Dunvegan will increase the flow of these travellers. The ideal tourist hotel will be located in the Peace River valley and offer (1) scenic views, (2) extensive natural grounds, (3) access to land and water recreation, and historical sites, and (4) offer onsite recreational amenities.

It is desirable to develop a hotel in association either with Dunvegan crossing or with the Misery Mountain site. We prefer the latter, because we think it will support a longer tourism season, and increased winter use. The presence of a recreation leisure centre and other indoor attractions at the Town of Peace River, and the presence of downhill and cross-country ski opportunities at Misery Mountain would maintain the attractiveness of this hotel in poor weather and through the off-season. Nevertheless, this hotel would have to be associated with summer recreation opportunities like boating, water play, hiking and adventure play in order to be successful. Assuming that the hotel was located with these conditions in place, we believe that it could be viable. The hotel would cater to recreational tourists as its primary clientele, and would develop a secondary market of professional and managerial business people coming to the area for meetings and inspections. The hotel would offer large size suites and deluxe decor.

We estimate that this sort of hotel could attract 8 500 room nights into the area. Assuming that the suites average two persons per night, this would attract **17 000** people per year. Assuming that 80% of these area visitors from outside the area, the hotel would attract **13 600** tourist visitors. This would create **$1 147 500** in local expenditures, and support **23** local jobs. The hotel would be a viable operation, although return on investment would be low.

The most important benefit of the hotel is that it removes a barrier to visitation, and capitalizes upon other generator developments.

RECOMMENDATIONS

Having thoroughly studied the area and the likely sources of tourist visitation, we believe that the creation of a provincial tourism generator in the area is a good idea. However, we believe that the scale and range of this attraction should be looked at closely before the provincial government makes its investment. We have included a summary chart, to illustrate the range of choices which we feel should be considered.

The range of choices varies from a minimal investment (simply completing Dunvegan with three buildings onsite and site improvements) through a range of mixed investments, to a top end investment, based upon the Dunvegan site. Since we feel that an integrated tourism attraction will required, we have shown a majority of options with accommodation and services provided onsite.

A. Basic Dunvegan

Restore and furnish all existing historic buildings onsite, and provide a visitor reception area with limited display capacity. Upgrade walking paths and site signs. Develop parking and clear and landscape the area around the factor's house. Improve roadway entry to the site. Develop improved access and relationship with municipal day use site. Provide scenic pull-offs on approach roads. Expand existing campground to 50 units.

Estimated capital cost: $3 million
Estimated operating cost: $230 000

B. Dunvegan Mix

Includes all of option "A" above, except for the campground. It also includes an interpretive center, and a partial reconstruction of the fort (especially the facade). This development would be combined with a 120 site fully serviced campground, and a full range of recreational attractions including boat rentals, paddlewheel boat, restaurant/food outlet, trails, and adventure play area.

Estimated capital cost: $13 million
Estimated operating cost: $600 000

C. Ultimate Dunvegan

This option assumes that the Historic Dunvegan site will be developed to its full potential, including the complete restoration of the fort. In addition, a 120 unit campground will be developed, with a full range of features, services and attractions (see Figure 4).

Estimated capital cost: $20 million
Estimated operating cost: $1 million

D. Regional Mix

This option assumes that Dunvegan will be developed as described in option "B" (Dunvegan Mix), and that an additional development of a tourism resort center will occur along the Shaftesbury Trail, at the town of Peace River.

Estimated capital cost: $15 million
Estimated operating cost: $600 000

The impact of each of these options is illustrated in Table 5. The figures in the tables assume that the operation and maintenance of everything other than Fort Dunvegan is entirely the responsibility of a private operator, and those operational costs are therefore not described in the figures provided above.

5. PADDLEWHEELER: REGIONAL TOURISM GENERATOR

The paddlewheel tourboat opportunity was studied in significant detail in 1987 for the Town of Peace River. The study found that such a boat would be a tourism attraction, but would not recover enough revenue to be viable as a private sector opportunity. Nevertheless, an entrepreneur has developed just such a boat at Dunvegan. Focus group respondents indicated that families would be much more likely to visit the Dunvegan site if the paddlewheel was available.

Based upon the earlier study, we estimate that the paddlewheel will attract 19 000 visitors annually, and that 15 000 of these will be tourists from outside the area. Given these estimates, the paddlwheeler would be responsible for generating local expenditures of ***$ 810 000 expenditures annually***, and supporting **15** local jobs. The paddlewheeler operation is expected to be barely profitable, and may require public subsidy.

CONCLUSIONS

1. The development of tourism as an industry in the Peace River area is feasible, and will provide substantial benefits to the area. However, it is in its infancy and will require substantial support from the provincial government, in the form of planning, subsidization of capital investment and marketing.

2. The Peace River Valley is the main attraction for tourists, and any development must capitalize upon its proximity to views and recreational opportunities in the valley.

3. The two best sites for tourist resort development are located at Dunvegan crossing, and at Misery Mountain, in our opinion.

4. If the government invests in a restoration of Dunvegan it should also ensure that suitable accommodation facilities are developed so that the return of benefits to the region will be maximized. The combination of day use and overnight facilities will be more attractive when placed in close proximity.

5. We recommend that the government diversify its investment in the tourism industry in the Peace Country. The investment in Dunvegan is reasonable and beneficial, but it should be accompanied by related investments in a diversity of accommodation, recreational opportunities, and promotion.

6. The short warm season in the study area is the major detriment to tourism growth. It is difficult for a privately run facility to create a reasonable return, based upon a 100 day season. We suggest that the potential for winter attractions be assessed further, although we are doubtful of finding attractions beyond regional scale. Within the study area, Misery Mountain offers the best potential for development of a year-round resort.

7. Several local entrepreneurs have declared their willingness to invest in the tourism industry. We applaud their courage and commitment. However, we also believe that the government should help these entrepreneurs plan for the appropriate tourism locations and "positioning". We are concerned about the longterm viability of ventures like the paddlewheel cruise, and we believe that this kind of venture will eventually require public support to be viable. Public support may not a be a bad idea, if the venture is capable of generating substantial tourism revenue into the region.

8. Where possible, we recommend that the government consider joint ventures with private sector investors as a way to boost the tourism industry.

TABLE 1. COMPARISON OF POTENTIAL INVESTMENTS IN TOURISM (PEACE RIVER)

	A Basic Dunvegan	B Dunvegan Mix	C Ultimate Dunvegan	D Regional Mix
VISITORS (TOTAL)	35 000	85 800	104 000	104 000
TOURISTS TO AREA	25 000	72 800	90 000	90 000
ECONOMIC BENEFITS				
CAPITAL INPUT	$6 000 000	$1 950 000	$30 000 000	$22 500 000
OPERATING COSTS INPUT	$345 000	$1 425 000	$2 025 000	$1 605 000
VISITORS EXPENDITURES	$1 497 000	$4 125 000	$5 070 000	$5 070 000
JOBS, CAPITAL	80	275	420	300
JOBS, ANNUAL	30	83	102	102
INVESTMENT				
PROVINCIAL - CAPITAL	$4 000 000	$13 000 000	$20 000 000	$15 000 000
- OPERATING	$230 000	$600 000	$1 000 000	$600 000
PRIVATE - CAPITAL		$800 000	$800 000	$1 100 000
- OPERATING		$350 000	$350 000	$470 000
MUNICIPAL - CAPITAL				
- OPERATING				
NON-PROFIT - CAPITAL	$50 000	$50 000	$50 000	$50 000
- OPERATING				
RISKS				
SHORT SEASON	+	++	+++	+++
POOR WEATHER	+	+++	++	+++
HIGH OPERATING COSTS	+	++	+++	++
ECONOMY/TRAVEL COSTS	+	++	+++	+++
COMPETITION	+	++	+++	+++

ASSUMPTIONS

1. **VISITOR EXPENDITURES**
   ESTIMATE: $36/day for tourists to area, based on ref # 25.
   $15/day for day users, based on ref # 5.

2. **ECONOMIC BENEFITS**
   ESTIMATE: 1.5 x all expenditures (visitors, capital, operation).
   This was a mid-line assumption, based upon relevant multipliers ranging from 1.3 to 2.3. A conservative average, overall.

3. **JOBS:**
   ESTIMATE: 20 jobs / $1 000 000 of capital
   Very close to the estimate used in reference # 5.
   30 jobs / $1 000 000 of visitor expenditures
   (Conservative end of range provided by Tourism Canada)

PRIMARY MARKET
SECONDARY MARKET
TERTIARY MARKET
FRINGE MARKERS

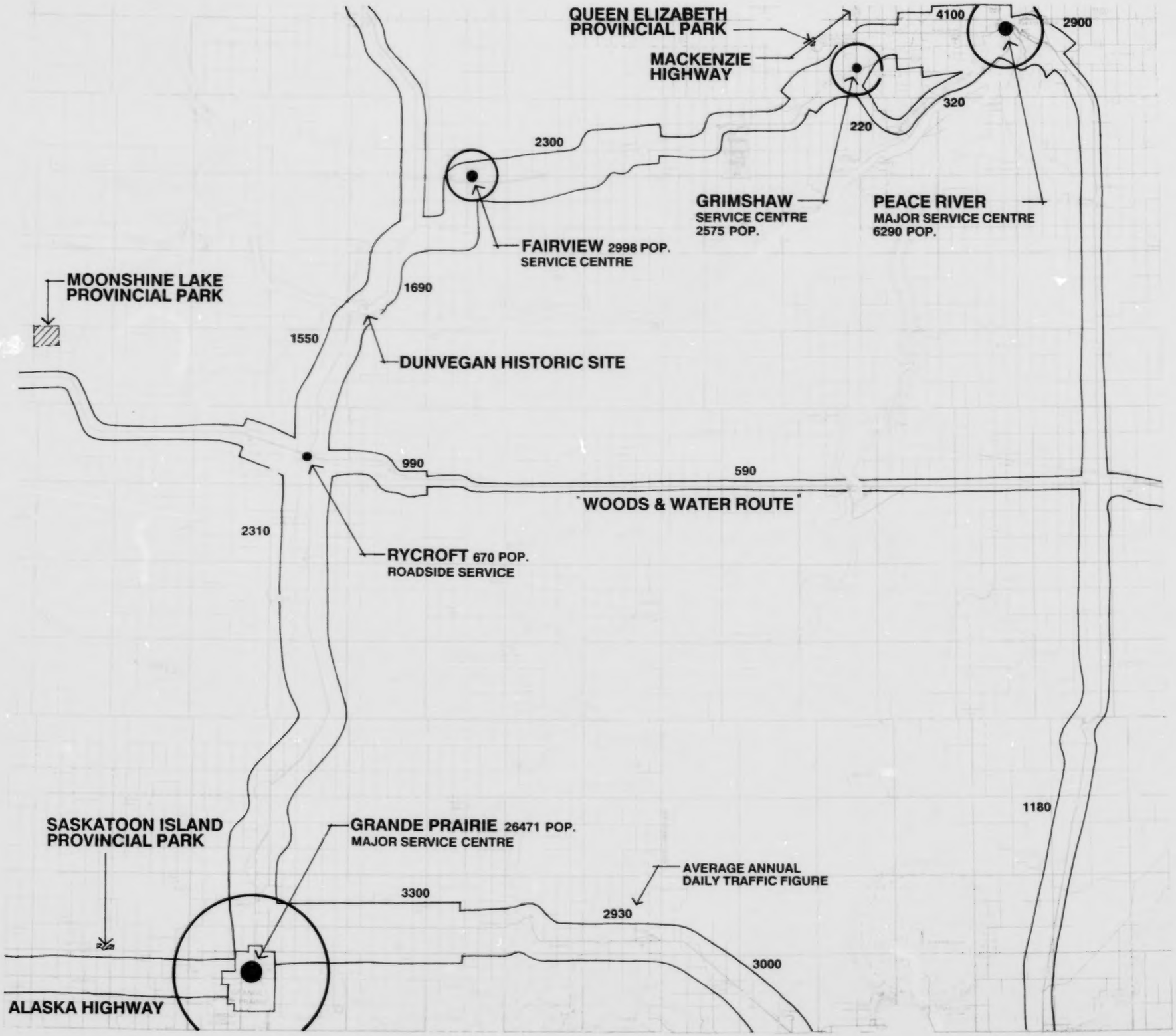
TOURISM MARKET PREFERENCE AREA

PEACE RIVER TOURISM GENERATOR PLAN

NORTH

SCALE
N.T.S.

FIGURE
1.



TOURISM SERVICES AND USE INVENTORY

PEACE RIVER TOURISM GENERATOR PLAN

NORTH

MARCH 1989

SCALE

0 5 10 15 km

FIGURE 2.

MISERY MOUNTAIN
WINTER RESORT
CROSS-COUNTRY/DOWNHILL SKIING

SHAFTESBURY TRAIL
THEMED SCENIC ROUTE

STRONG CREEK PARK

SHAFTESBURY FERRY

PEACE RIVER
DESTINATION
RESORT
120 UNIT CAMPGROUND
SKI HILL/GOLF COURSE
RIVER BOAT LANDING
RESTAURANT
INTERPRETIVE CENTRE
TOURIST DELUXE HOTEL

TYPICAL
UPPER PEACE
RIVER VALLEY
RECREATION
SITES
FOURTH CREEK

GOLF COURSE
R.V. PARK

PRATT'S LANDING

FAIRVIEW SKI CLUB

TANGET PARK

ELK ISLAND PARK

RIVER BOAT ROUTE

HINES CREEK TRAILS

EAGLESHAM

DUNVEGAN
DESTINATION RESORT
HISTORIC DUNVEGAN SITE
120 UNIT CAMPGROUND
MARKET GARDEN
RIVERBOAT LANDING
RESTAURANT
BOAT LAUNCH

TOURIST HOTEL
TRAVEL
INFO. CENTRE

SMOKY RIVER
RECREATIONAL
CANOE ROUTE

WHITE MOUNTAIN
CROSS-COUNTRY SKIING
HIKING
VIEWPOINT

KLESKUN HILLS
PARK

GRANDE PRAIRIE

REGIONAL TOURISM POTENTIAL

PEACE RIVER TOURISM GENERATOR PLAN

NORTH

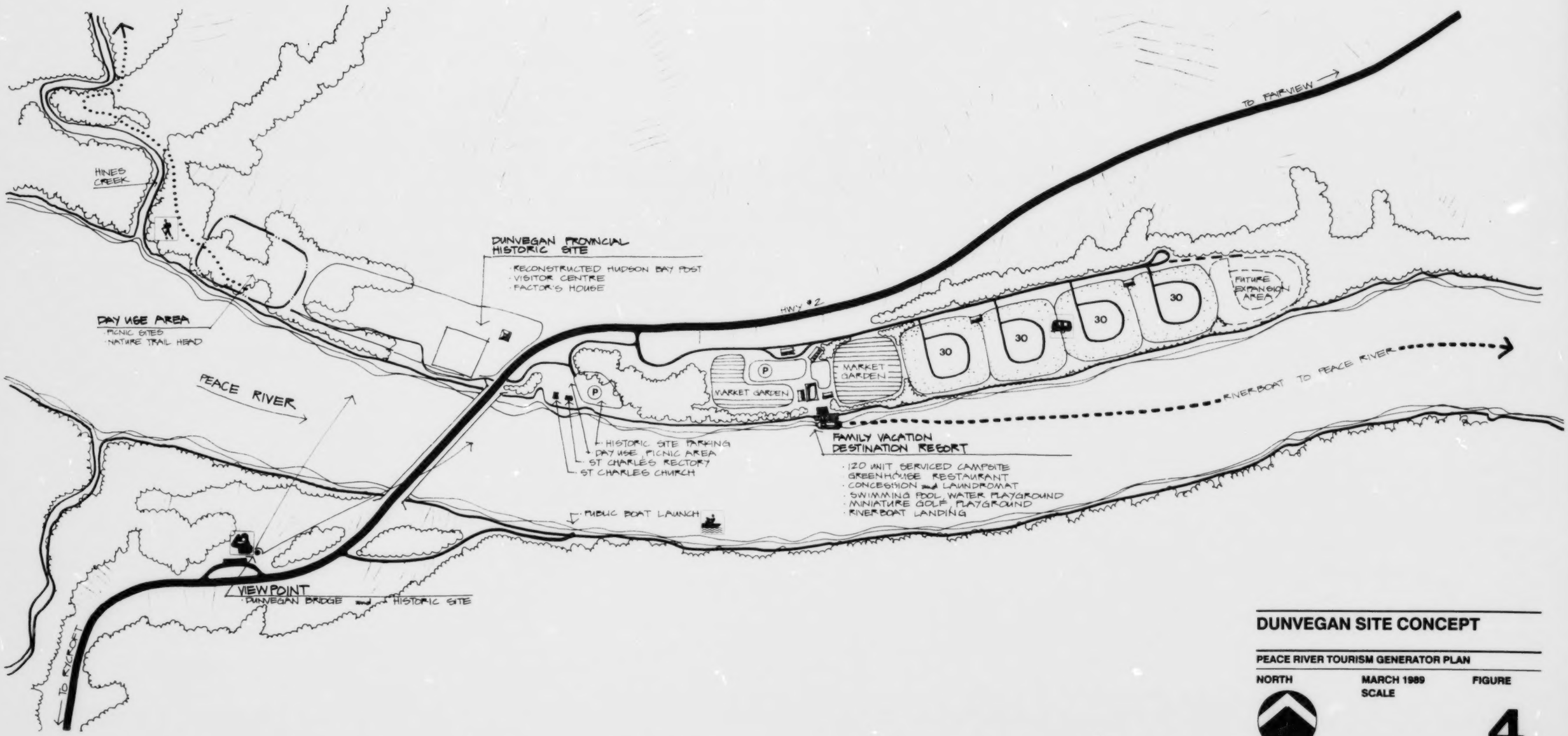
MARCH 1989

SCALE

0 5 10 15 km

FIGURE

3.



DUNVEGAN SITE CONCEPT

PEACE RIVER TOURISM GENERATOR PLAN

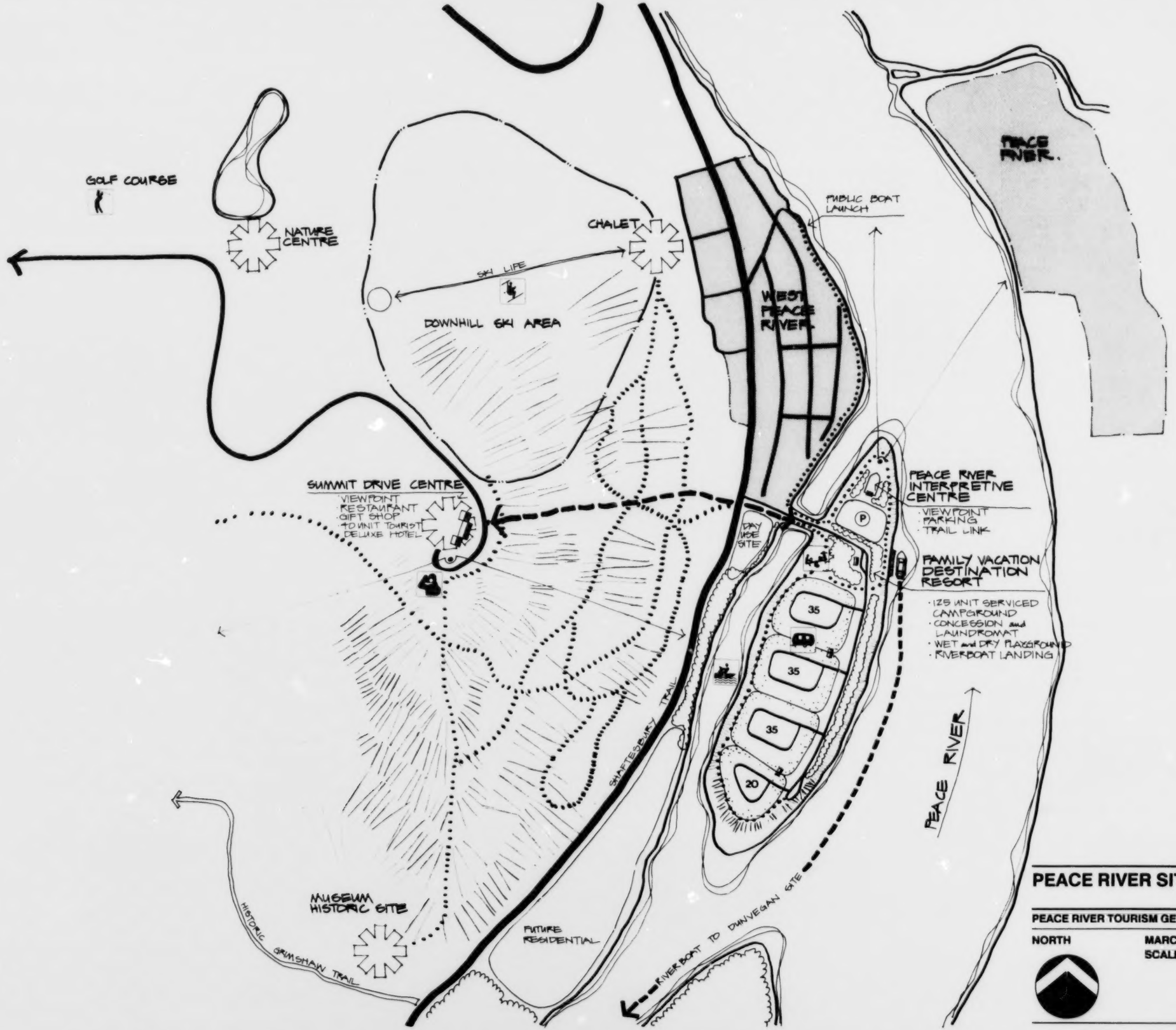
NORTH

MARCH 1989

SCALE

FIGURE

4.



PEACE RIVER SITE CONCEPT

PEACE RIVER TOURISM GENERATOR PLAN

NORTH

MARCH 1989
SCALE

FIGURE
5.

CHAPTER • ONE

PURPOSE OF PLAN

This plan was prepared to allow the Department of Tourism and other parties to assess the regional context for potential tourism developments. More specifically, the plan was intended to:

- Examine the economic impact of the major provincial tourism generator and related regional tourism generators.
- Determine the regional context for tourism development, including existing infrastructure, attractions and services as well as intentions and attitudes.
- Examine the potential tourism market for the study area
- Establish regional requirements for tourism attraction.
- Describe potential developments that may contribute to the development of the tourism industry in the study area.
- Assess the potential siting of tourism generators and describe nearby resort opportunities.
- Describe the potential roles of participating sectors.

The plan describes a study area centered around the Historic site at Dunvegan, and including the Town of Peace River, and the City of Grande Prairie. The plan specifically explores a proposed Provincial Tourism Generator in the area, namely the establishment of a major interpretive center and historic fort at Dunvegan. It also explores a number of potential regional tourism generators including a paddlewheel steamer, a fully serviced campground and a deluxe tourist hotel.

DESCRIPTION OF REGION

2.1 DEFINITION OF THE STUDY AREA

The study area includes a 55 km stretch of the Peace River, connecting the Dunvegan crossing with the town of Peace River. The potential tourism development considered within this plan is located on the north shore of Dunvegan crossing, approximately 550 km northwest of Edmonton. The area was defined to include all major population centers located within a one hour drive of the Dunvegan site. We feel that this area includes all of the potential tourism service centers that would be directly affected by development at Dunvegan. The chosen study area is illustrated in Figure 2. The area includes portions of two Alberta tourism zones: Zone 8 Land of the Mighty Peace), and Zone 13 (Game Country).

Service Centers

The area includes four major service centers (population over 2 000): Grande Prairie (26 470), Peace River (6 290), Fairview (3 000), and Grimshaw (2 575). Grande Prairie is by far the largest, and offers the tourist a full range of services in an urban setting. Services include 10 hotels, and 47 restaurants. Accommodations and services cover a full range, with deluxe services available in only one hotel, and very few restaurants.

Peace River is the largest service center adjacent to the Peace River, and it offers three hotels and 20 restaurants. There are no deluxe services, but several midrange hotels and restaurants are available.

Fairview is one-half as large as Peace River, but offers almost as many tourism services (four hotels, and six restaurants). The hotel accommodation at Fairview is limited to the middle range, and there is an apparent shortage of suitable restaurants.

Grimshaw is slightly smaller than Fairview, and offers three hotels and six restaurants. The other centers vary in the range of services as shown on Figure 1, but all offer the basic services that a traveller would require.

The Dunvegan site is located approximately 85 km from Grande Prairie, 105 km from Peace River, and 25 km from Fairview. It is very close to the village of Rycroft, which has roadside services available to tourists.

Natural, Cultural and Recreational Features

The dominant natural feature in the region is the Peace River, and its deeply incised valley. This is one of the largest rivers in North America, and one of the few remaining that has a long reach of unimpeded flow. The valley walls provide a wide range of habitats, displaying many kinds of vegetation and several animals not found elsewhere in the area. The river has a magnificent history, which dates back to 1792 when Alexander MacKenzie travelled through the area.

Since then this river has attracted a wide range of activity. In 1805, the North West Company established a presence, and the area was used for fur trade activities continuously until 1918. In the 1870s such free traders as Henry "Twelve Foot" Davis and "Peace River" Jim Cornwall came to the area and remained for the gold rush.

There are few lakes in the area. The largest is Lac Cardinal; its shallow water makes the lake unsuitable for fishing, and the weedy shoreline is unattractive for swimming. Other potential recreation lakes include Moonshine Lake, which is actually a reservoir. This lake is stocked with trout and usually offers attractive fishing opportunities. The other lake is Saskatoon Lake, which offers limited swimming and boating opportunities, and is known as the home of the trumpeter swans. All three lakes have Provincial Parks developed on their shores.

Not surprisingly, most of the area recreation is located in the

Peace River Valley, and its major tributary valleys. Along the valley, there is limited access by road, because the steep valley walls are relatively unstable. Wherever access is available, there is an informal site used for camping and fishing. There are also two regional ski hills, one located at Peace River, and another just northwest of the Dunvegan crossing on a tributary valley, Hines Creek.

There are limited opportunities to place a boat into the river. Two boat launches currently exist, one in the Peace River townsite, and the other at Dunvegan crossing. Between these sites, the river is relatively placid. For this reason, it has been used in the past for river tours, and there is currently a proposal to offer paddlewheeler tours on the river.

There are a number of monuments in the area marking important historic events. These monuments are predominantly located around the Peace River townsite ("Twelve Foot" Davis, Alexander Mackenzie Cairn, MacLeod's Fort, and the St. Augustine Mission). There is also a major monument at the site of Fort Dunvegan.

There are 24 campgrounds in the study area, with three being the Provincial Parks mentioned earlier. Attendance records at the Provincial Parks indicate that the camping season is relatively short (12 weeks). Approximately 27 000 camper nights were spent in the parks and over 100 000 day use visits.

There are no destination resorts in the region. Visitors report a lack of available recreation and entertainment activities.

Tourism Attractions

The existing attractions center around the two major crossings of the Peace River. The first, at Dunvegan, is the site of Historic Dunvegan, which includes two restored mission buildings and the factor's house from the Hudson Bay trading post. This site also includes a 150 year old market gardening area, the site of the original ferry crossing, as well as a limited camping opportunity and day use area. The site is augmented by the dramatic presence of the Dunvegan Bridge, the longest suspension bridge in Alberta.

The second major crossing, at the town of Peace River offers scenery, historic sites, services and recreational opportunities adjacent to the town. The focal point of the attraction for the tourist is the Shaftesbury Trail, which offers the only available opportunity to drive along the Peace River Valley. This trail includes several historic sites and culminates at a historic ferry crossing.

The major attraction to the area are the valleys of the Peace River and its tributaries which offer the tourist dramatic views, water, wildlife, and history. The valley is currently underutilized because it has not been developed for use by tourists. There is a lack of view opportunities into the valley, and overnight facilities in the valley are limited to the town of Peace River. There is little opportunity to experience the river, or to hike through the wilder portions of the valley. There are no obvious entertainment possibilities to encourage families to remain in the area.

2.2 ACCESS AND TRAVEL PATTERNS

Road Access

There are several highways providing access to the study area. These highways are good quality paved travel routes which will provide excellent driving conditions for the tourist. Unfortunately, the main access route from the south (Highway 43) is known to travellers as a "boring drive". The other access route (Highway 2 and 49) is promoted as the Woods and Water Route. This route provides considerably more visual interest and attractions, but is less used, because it is less direct. The travel distances to the region from population centers are significant: Dunvegan crossing is six hours from Edmonton, and nine hours drive from Calgary.

The study area benefits from being located adjacent to the Alaska Highway route and the Mackenzie Highway route. It is also highly accessible to drivers from northeastern British Columbia (Highway 49 connects to Dawson Creek, and Highway 64 connects to Fort St. John).

Recreational Traffic Levels and Patterns

Traffic volumes in the study area are illustrated in Figure 1. The highest levels of traffic are found on Highway 2 west of Grande Prairie (approx. 6 000 vehicles per day), with an unusually large proportion being recreation vehicles (10 percent). About one-third of this volume travels on the route north past Dunvegan crossing (approximately 2 000 vehicles per day) and a considerably lower percentage is recreation vehicles (2.5% to 6%). Almost the same traffic volume is found on the route south of Peace River. Over 80 percent of the traffic crossing the Dunvegan bridge is made up of passenger vehicles, while only 10 to 20 percent is commercial traffic.

Tour/Bus/Rail Access

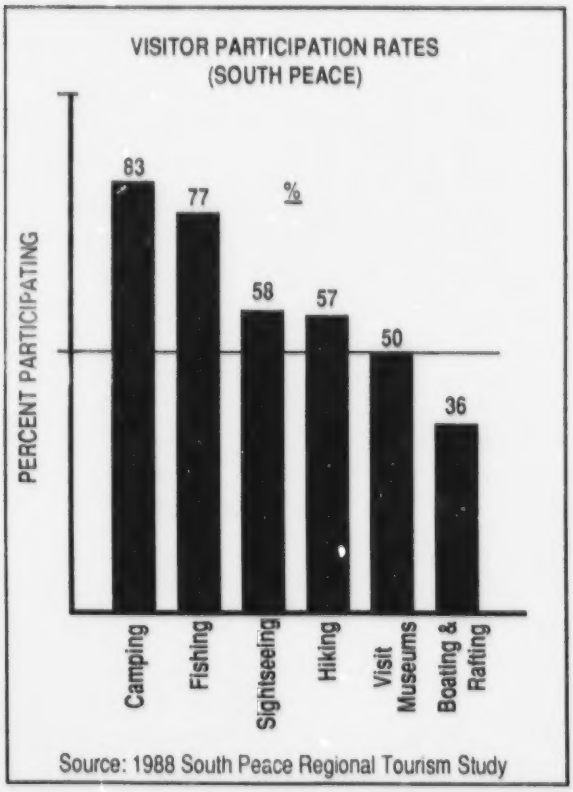
The Peace River Chamber of Commerce estimates that 22 tour buses stayed overnight in the town last year (approximately 500 people). The tours were primarily headed for Alaska and the Northwest Territories, and came from as far away as California. All of the tours stayed one night or less in the region. Four Edmonton tour companies each offer at least one tour that includes portions of the study area.

Regular passenger bus service is also available. However, there is no passenger rail service into the area, although there is rail line capacity all the way to Fairview.

Airline Access
Time Air flies at least twice daily to both Peace River and Grande Prairie. Air B.C. also offers regular flights to Grande Prairie, and is currently seeking permission to land in Peace River. Flying time from Edmonton is less than one and one-half hours to either center. There is an obvious potential for a fly and drive tour between the two centers. There are also charter flight services available at both centers, which offer potential for tourists to use the centers as a base for northern adventure travel.

2.3 EXISTING RECREATIONAL VISITS

Recreational visitors to the area can be divided into two categories: those who visit the area as their primary destination (30-40%), and those who are travelling through to other destinations (60-70%). The Department of Tourism estimates that 134 000 persons travelled to the zone as a primary destination in 1986, and that 87 percent of these originated within Alberta (14,15). Of those that are travelling through the region, the major portion are travelling on to the Alaska Highway, and most of these originate in the United States. The following diagram illustrates the main activities that tourists participate in while visiting the region.



Source: 1988 South Peace Regional Tourism Study

Camping
Camping was the most popular activity among tourists; 40 to 50 percent of visitors reported it as their primary activity. (12) This statistic is slightly misleading since it reflects summer demand only. Camping in the region is highly popular for approximately 100 days per year, but attracts very few participants during the cooler weather months.

The supply of campgrounds in the area considerably exceeds the demand: average occupancy rates for campgrounds in the area was under 20 percent. We estimate 825 individual sites available in the area, but to our knowledge, all of these sites are basic unserviced sites. According to a recent study by the South Peace Planning Commission, tourists are seeking fully serviced camping opportunities, but none are available. Experience in Provincial Parks of the area has shown that campground demand peaks dramatically on weekends, with relatively low demand mid-week.

Fishing
Fishing is reported as a primary activity by only 15 percent of visitors. (12) Considerable local concern has been expressed over the apparent lack of good recreational fishing opportunities in the area. Many felt that the Peace River did not offer good fishing, although one local angler indicated that the Peace River offered excellent angling.

Hunting
There are no accurate estimates of the participation rates for hunting in the area by non-residents (surveys have all been carried out in the summer, outside the hunting season). However, many local communities have indicated the importance of hunters in their tourism economy. Local guides have reported an enthusiastic response to guided hunting opportunities in the area. Two guides have reported that most of their hunters come from the United States, and that much of their business is through word of mouth.

Extended Tours
No extended tours presently select the study area as their primary destination. However, a significant percentage of visitors (about 15% in summer) travel through the region to other destinations, principally Alaska. (23) This market currently spends one night or less in the region. Bus tours account for less than 0.5 percent of visitors, and also stay only one night.

Adventure Tourism
"Soft adventure" tourists are those seeking to get closer to nature through involvement in activities using personal skills. Typical activities include hiking, horseback riding, rafting, bicycling, canoeing, birdwatching, etc. The area offers significant potential for these kinds of activities. This potential is practically undeveloped.

Visiting Friends and Relatives
Only 24% of visitors to the region include visits with friends and relatives as part of their reason for coming. (23) These visitors often participate in other activities at the same time (eg. family vacation, camping). It has been our experience that the households often want to show their visitors the "highlights" of the area. This portion of the market is presumed to be likely visitors to a major historic site or recreational attraction.

Attending Recreational/Cultural Events
There are many recreational events throughout the study area that form an important part of the tourism attraction of the area. Most communities in the region benefit from the inter-community travel created by hockey and baseball tournaments, curling bonspiels, and rodeos. None of these events are large in scale, but in total they have a noticeable impact on tourism in the region (particularly in winter, when recreational travel is relatively low). The Grande Prairie Stompede is relatively large, compared to other regional events attracting visitors. Unchaga Days is held at the Dunvegan Historic site, and is a boost to visitation there.

2.4 TOURISM ATTITUDES, AWARENESS AND SERVICE

Service
Tourists can expect friendly service in the local communities, but will also experience inconsistent service levels. Service personnel lack training in service procedures and personal relating skills.

Service and quality tend to be inconsistent, and it is this lack of consistency that limits positive tourist impressions. The tourist cannot count on a "great meal" although they may well receive one, and they cannot count on friendly service at the gas station, although it is often available. Menus tend to be repetitive and lack the imagination that make tourists take notice. In general, owners of services like hotels and restaurants have kept their investments at the low end. Most of their clientele is service workers who have not demonstrated any concern over the lack of matching drapes or special cutlery, and who have shown some disregard for the maintenance of specialized fixtures and finishings.

Attitudes
However, attitudes towards the tourism industry shown by civic and business leaders are a strength of the area. Every definite community representative we spoke with demonstrated high enthusiasm for tourism development and high optimism about the future of tourism in the area. Tourism was described as "beneficial to everyone", "a clean air industry", "an industry that will benefit the whole region", and "an industry that you can count on".

Everyone is prepared to invest in the development of the industry. Municipal investments are already obvious at Fairview (Cummins Lake campground), and at Peace River (leisure complex, Misery Mountain improvements). Business investments are currently being made (paddlewheeler at Dunvegan, tourist motel at Rycroft). This optimism and preparedness to make an investment are a major strength for tourism development in the area.

Service Personnel
There is currently a shortage of people available for tourism service positions. We expect this shortage to worsen with increased industrial development in the area.

MARKET ANALYSIS

This section of the paper describes the potential tourism markets for the region, and offers observations about the likelihood that these markets will respond to developments in the region.

3.1 POTENTIAL MARKET SIZE

Existing travel to the area is predominantly from within the province, particularly from the northern two-thirds of the province (Edmonton and northern Alberta). Focus group studies have indicated that the ability of northern sites to attract visitors from Calgary and south is limited. There is greater opportunity to attract markets from Saskatchewan. We have therefore described the geographic market segments below, to give an impression of the size of markets available to draw upon. In order to create a growing tourism industry the region will have to increase its draw from at least a six hour drive distance.

1. Primary Trading Area
The primary trading area is described in Figure 2. It includes 74 000 residents, located in the communities shown. The population is relatively small to support large scale tourism attractions. This raises a concern particularly in the off-seasons.

2. Secondary Market
The secondary market was considered to be delimited by a three hour drive. This should be a reasonable assumption of the market area that would consider the site to be convenient to reach, and would be likely to travel past the attraction sites repeatedly. There are 66 000 residents in this market area. This market area includes a major addition: the cities of Dawson Creek and Fort St. John in northern British Columbia. These centers have traditionally visited northern Alberta for recreation, and so provide excellent potential markets. Overall market size remains small, and the off-seasons remain potential loss periods.

3. Tertiary Market
The tertiary market was initially described as a six hour drive market. However, our findings from focus groups and secondary data indicate that it could be extended somewhat. This market includes 1 100 000 residents, predominantly located in the city of Edmonton. The ability of the attractions to draw consistently from Edmonton is a critical benchmark for their success.

4. Fringe Markets
Some important fringe markets extend beyond the six hour drive zone. To the south, the city of Calgary offers a large market (685 000), but this market has not traditionally driven north for vacations, and shows resistance to doing so. However, focus groups indicated that the seniors market in this city is interested in travelling north to a historic site.

To the east, there is a market in Saskatchewan. Focus groups indicated that this market group would be interested in visiting northern Alberta, and would therefore be a probable market for attractions.

5. Continental Market
There is a significant continental market for the Peace River attractions: this market can be described as the "Alaska Highway" market. According to a recent demand study, 15 percent of the visitation to the area was from the United States. Using the visitation statistics for the Game Country zone south of the Peace, this would translate into approximately 57 000 visitors. This market is almost entirely Alaska bound. There is considerable potential to attract these visitors north to the Peace River to stay "an extra night".

The Peace River region is presently used as a staging area by hunters from the United States. According to the guides in the area, the potential for hunting and wildlife attractions is largely

untapped. At the same time, local guides are busy, and almost all of their business comes from the United States.

6. Offshore markets
There is little evidence of consistent visits to the Peace River from offshore locations. However, over the past two years, European visitors have signed the guest book at Dunvegan. It was estimated by the site manager that approximately 90 West German visitors signed in last year. It is unlikely that any facility in the Peace River area can attract offshore markets in significant numbers, but there may be opportunities to use selective marketing to attract specific interest groups (such as seniors adventure tours).

3.2 KEY MARKET SEGMENTS

The following market segments show potential to be the major targets for tourism growth in the study area.

1. Extended Travel Market
The location of the study area requires that much of its market is an "extended travel" market. The largest portion of this market is visitors from the United States that are travelling through the region to the Alaska Highway. The first objective will be to encourage these travellers to stay "an extra night", and thereby to spend additional funds in the study area. We estimate a potential market of 60 000 people.

2. Seniors
The Peace River already attracts an unusually high percentage of visitors who are over age 55. We predict that this high ratio of seniors visitation will continue, and probably grow. This prediction is partially supported by the demographic observation that our population is aging. However, it is also supported by the high interest expressed by seniors in focus groups towards visiting the Peace River area, and exploring the history of the area. The potential seniors market is located as far away as Calgary and Saskatoon, with the major target markets located in major urban areas within 10 hours drive. A seniors market of approximately 350 000 people is available.

3. Family Recreation Travel
This market is currently the largest single tourist/recreation segment visiting the study area, and will continue to be for the foreseeable future. This segment is willing to visit the Peace River area, but demands that a full range of family activities be available. With a full range of destination facilities in place, the study area could attract a larger portion of the family market from the secondary market area year round, and from the tertiary market during the summer season. There is some potential to attract families from Saskatchewan as well. Within six hours of the area, there are more than 500 000 potential family visitors that could be attracted.

4. Hunting / Wildlife Adventures
The resources of the Peace River Valley and the extensive forest to the north are attractive to hunters. Guides in the area reported that American hunters are "very interested". There appears to be potential to appeal to an upscale market for both hunting and photography/observation opportunities.

5. Visiting Friends and Relatives
A high percentage of visitors to the region (23.6%) are composed of people who are visiting friends and relatives. (23) The presence of cultural and recreational attractions in the area is highly appealing to this segment, and increases the likelihood of a visit to the area. This segment can be induced to come north for the first time, and to come more often. This segment also offers a seasonal advantage: their travel is more evenly spread through the offseasons than are the vacation segments.

6. Special Events
Special events such as sports events, fairs and cultural events play an important role in attracting visitors to the area. A tourism generator may be able to create more visitation by hosting special events, or by catering to the needs of special event visitors. Unchaga Days, hosted by Historic Dunvegan, is a good example of this. The potential for offseason special events should be explored, in particular, as well as smaller weekly events like teas or craft shows that may induce travellers to stay "an extra night".

7. Tours
We have already stated that the current tour market is very small. The potential of the area to attract tours is dependent upon co-marketing with tour stops such as Yellowknife, the Yukon, and Alaska (i.e. northern adventure tours). Tour operators must know that a "string" of attractions and services is available, and that tour groups will be catered to, upon arrival. The development of a tour marketing program will increase the number of tour visitors, although we do not expect this market to become important to the livelihood of the area.

Market Indicators At a Glance

***Family Market*: 39% of travellers with families (1982)**
***Seniors Market*: 31% of visitors were retired (1988)**
***Length of Stay*: 55% stayed less than one day (1988)**
***Origin*: 65% came from Alberta, northern B.C. (1988)**
***Vacations*: 23% came for a Peace River vacation (1988)**
***Travelling Through*: 30% were travelling through; half oF these were Alaska bound.**
***Vehicles*: 32% of summer tourists drove a recreational vehicle (1988)**
***Promotion*: 39% had visited before; 27% learned by word-of-mouth. (1988)**
***Sources*: 1988 South Peace Regional Tourism Study**
1982 Alberta Travel Study

3.3 MARKET PERCEPTIONS OF THE REGION

The Peace River area does not have a market "image" at this point, and we suspect that most potential visitors have not formed an impression of what they would find there. The river itself is by far the dominant image that people hold of the region and we suspect that potential visitors have attractive and romantic concepts of what the Peace River Valley looks like.

We believe that the most significant market perception currently held is that the Peace River is a scenic valley, with an unspoiled river, and wonderful natural environment. We believe that many people associate the Peace River with the "northern frontier" concept (suggesting adventure and exploration).

In focus groups we found that respondents were attracted by the fur trade history of the area, although not very familiar with it. Family respondents, however, were cautious about committing to a visit to a historic site as a single opportunity. They felt that "there must be something else to do". The location was attractive to markets located in Edmonton and Saskatoon. Calgary residents were more inclined to travel west, but some would visit if there was ample recreational opportunity.

3.4 LOCAL POPULATION TRENDS

The population of the primary and secondary market areas is projected to expand at about 3 percent per year. As an example, the opening of industrial facilities like the Daishowa pulp mill and the Shell in-situ recovery plant are expected to bring 1 800 new residents to the town of Peace River in the next five years.

3.5 EXTERNAL FACTORS

Several external factors will affect the potential for tourism to grow in the study area. These include the following:

The development of the Daishowa pulp mill and Shell oil plant: These two industrial plants, especially the former may be perceived as destructive to the "attractive natural environment" attribute of the region. Smoke, odors, water pollution, noise and destruction of natural habitat have the potential to negatively impact tourist perceptions and desire to visit the study area. We believe that these impacts will be minor, but they should be carefully monitored.

WHY PEOPLE DON'T VISIT

1. Competing or Intervening Opportunities

Markets located in the central and southern portions of Western Canada have other opportunities closer at hand. What does this site offer, that makes it more attractive?

2. Distance and Travel Time

Day users do not like to travel any longer than two to three hours to an attraction. This limits the day use market to the secondary market area described earlier. Visitors will travel significantly farther to a "destination" (many travel two days, a smaller percentage will travel up to five days).

3. Poor Weather

Focus groups perceived the weather in the north to be cool and unpredictable. They assumed a lack of indoor activity options on poor weather days.

4. Lack of Activities

Family groups perceive that there is not enough to do in the north.

5. Pests

Many potential visitors are concerned about being bothered by pests like black flies and mosquitos. Some extend this concern to larger animals like skunks or bears.

6. Lack of Services and Support

There is a perception that the Peace River area is still a northern frontier, and that the range of services (medical, retail, commercial) is inadequate for the needs of tourists. This concern extends to the quality of tourist services (will there be any good restaurants/ motels/campgrounds?).

7. Frontier Image

Tourists may not want to travel to the region due to the perceived frontier image.

8. Expense

Many visitors anticipate that their trip to the north country will be expensive. Travel costs, and the increased cost of food and supplies contribute to this image.

The potential to develop a Dunvegan dam: If a dam were developed on the upper Peace River near Dunvegan, we believe that it would negatively affect tourism demand. The reservoir produced is unlikely to attract use outside the region, and the positive perception of the mighty Peace River will be diminished. We did meet local community leaders who felt that the dam would be beneficial, however.

The net impact of dramatic increases in construction and technical services work: The construction and operation of Daishowa, Shell and other projects in the area will increase the demand upon existing accommodation. This will create local surpluses in demand, making it more difficult for tourists to find accommodation.

The shortage of service workers: The proposed construction and industrial development will increase the demand for tourism service workers, while diminishing the supply. This is a serious concern. As these new plants begin to hire people at attractive salaries, the wages of tourism services will look increasingly unattractive. In addition, the number of local people available for these positions will be greatly reduced.

The 50th anniversary of the Alaska Highway: This anniversary, in 1992 will be an important time to promote the study area. The eyes of North America will be momentarily cast northwards, and there will be considerable media coverage. Preparation to capitalize upon this event should be underway immediately.

Gas prices/currency exchange: The potential for a less favorable currency exchange rate with the United States, coupled with rising gas prices in Canada could aggravate the barriers to tourism in the region.

The ageing of the population: The growth of the "seniors" travel segment should generally be good for the study area, if the area continues to capitalize upon its historical assets.

Population growth: The rate of population growth in northern Alberta is expected to be above average through the next five to ten years. This will positively affect the tourism demand in the area.

REGIONAL REQUIREMENTS FOR TOURISM GROWTH

The study area has not traditionally been a tourism destination, and so has not developed facilities and services that are oriented to tourists. In order to successfully create a tourism industry, the area will require significant changes in attractions, facilities, services, and promotion (see Figure 3).

4.1 TOURISM ATTRACTIONS

The area does not contain attractions that will consistently draw tourists into the region. In particular, the region is short of sites that can be promoted as vacation destinations. In order for tourism to grow, the study area must attract more tourists from beyond the three hour driving distance. This will require destination facilities.

There is potential to create tourism events that will become major tourism attractions in the area (or to enrich existing events like the Grande Prairie Stompede). There is also an opportunity to "bundle" existing day use attractions in the Peace River Valley into a greater attraction to tourists. However, the need for a true destination attraction will remain.

The ideal attraction for the Peace River would combine access to the scenic river valley views, to the history of the area, and to the opportunity for land and water-based activities. It would also provide quality overnight accommodation, and a full range of activities throughout the year, including indoor activities that offer a poor weather alternative.

The strongest potential sites for such an attraction are in the direct vicinity of the two major crossings of the Peace River: Dunvegan bridge, and town of Peace River.

4.2 TOURISM FACILITIES

While the area is well-serviced, it lacks services that are specifically oriented to tourists. Most of the services in the area grew in response to the needs of work crews included in oilfield, forestry and industrial projects. The facilities are not adequate to respond to tourist needs and expectations.

Although the supply of motel/hotel rooms currently exceeds the demand by about 50 percent, it would not be reasonable to conclude that the extra rooms account for the needs of tourists in the area. There is not a single fully serviced hotel in the area outside of Grande Prairie, and no hotel that offers a combination of recreational facilities, attractive grounds, unique or significant architecture and views of regionally significant landscapes. In addition, the majority of hostelries cater to work crews and are unable to maintain standards of service, cleanliness, furnishings, and repair that would make them attractive to tourists. It is highly desirable that upscale accommodations that cater to tourists be developed in the region.

Although there is an excess supply of campground space in the region, almost all of this is unserviced campground with few facilities or features. There is a strong demand for camping in the area, and a need for a highly serviced campground adjacent to regional scenic and recreation resources.

There is a significant need to increase the number of scenic viewpoints along the major highways entering the Peace River Valley, particularly at Dunvegan crossing, where there are none. Trails and access points along the Peace River would encourage people to explore this awesome natural resource.

There is a shortage of choice in restaurants and a lack of specialty restaurants outside of Grande Prairie. A specialty restaurant that offers the tourist something other than grilled "meat and potato" dishes would be a strong asset. Tourists would appreciate a restaurant situated to take advantage of a view of the Peace River valley, or other attractive landscapes.

4.3 TOURISM SERVICES

In general, services in the region are not oriented towards tourists. There are few specialty shops, for instance, and almost no outlets where a tourist can acquire local area souvenirs.

Service stations are not yet used to the clean image and prompt, polite service that makes tourists smile. Nor are restaurant and hotel employees trained to provide consistent service and positive communication to tourists in the area. Services are often not conveniently located and the appearance of service outlets may not be attractive to tourists.

There will be a need to provide outlets for fast foods, souvenirs, full service gas stations, and quality roadside restaurant space. There will also be a need to inform tourists of the services that are available in each community.

4.4 PROMOTION AND IMAGE

The Peace River remains largely unknown to most tourists beyond the primary and secondary market area. The development of an attractive image that provides a graphic identity which people can immediately recall will support tourism growth. The most important aspect of this promotion is that it is targeted towards the key market segments that are most likely to respond. The promotion must also emphasize consistency and repetition in order to reinforce the message.

The promotion of the Peace River to Alaska Highway tourist is an example of targeted promotion. These tourists must receive information about the area in advance of their arrival in Grande Prairie, and must be reinforced to head north when they reach Grande Prairie. The information provided must specifically address the needs of these travellers, for instance: quality accommodations near roadside, a "must see" attraction, an opportunity for parents and children to play, and new scenery unlike what they've seen for the past day's drive.

Facility and service operators catering to the tourist trade must ensure that adequate capital is spent on promotion. We recommend that every business seriously consider spending at least two to five percent of their anticipated gross revenues on promotions targeted towards key tourist segments.

ROLES OF PARTICIPATING SECTORS

In order for tourism to work, every sector must see itself as a player. In the north, because of the distance from large markets, and the limited summer season, there is a critical need for cooperation and coordination. In its beginning stages, the tourism industry in the study area will be somewhat fragile, and will require patience and cooperation by all parties. There is a great need to establish priorities and to stick to those priorities.

The roles of the various sectors during this developmental period are outlined below.

Provincial Government

The participation of the provincial government is critical to the development of the tourism industry in the study area. There are three key areas where the provincial government must provide resources:

1. Planning
Communities and regions require help to establish appropriate tourism strategies and priorities. This need is being addressed through the Community Tourism Action Plan program.

2. Development of Attractions
Because the initial cost of developing attractions is high, and the potential for cost recovery is low, the provincial government is the only likely source of funding. The development of attractions should be oriented to attracting new tourists to the area, and attracting expenditures on services.

3. Promotion/Marketing
The area needs to develop a tourism image, and to make that image known to its potential markets. This promotion requires coordination and funding. This need is being addressed by the Team Tourism program.

Private Sector
The success of the tourism industry is ultimately dependent upon the skill and imagination of the entrepreneurs who offer services and goods to tourists. It is only through the sale of these goods and services that the area can capture new revenue from tourists.

We sense a willingness in the private sector to become part of the tourism industry in the study area. This is best illustrated by the development of the paddlewheel steamer at the Dunvegan site, and by the proposed tourism service center at Rycroft. We suggest that everyone consider that the first entrepreneurs into the game are (a) taking the greatest risk and (b) being closely watched by other potential entrepreneurs. We believe that all sectors should support these entrepreneurs in every way possible and help them demonstrate success. The potential for early failures is high, and the area can ill afford such a setback.

We believe that the private sector should be encouraged to provide accommodation, meals, sale of goods, and travel services.

Municipal Sector

The municipalities are important local leaders in the tourism business. They must demonstrate a commitment to tourism by beginning to improve the appearance of towns and facilities, and by developing potential attractive opportunities for tourists (examples: Cummins Lake at Fairview, and the leisure complex at Peace River). The municipalities can also invest in some of the regional recreational facilities to make them more attractive to tourists (examples: snowmaking equipment at Misery Mountain, tourism center at Rycroft).

There is no problem urging the municipalities in the area towards this role. They have already shown tremendous

interest, support, and leadership, and have demonstrated that they are willing to invest in tourism.

Non-profit Sector

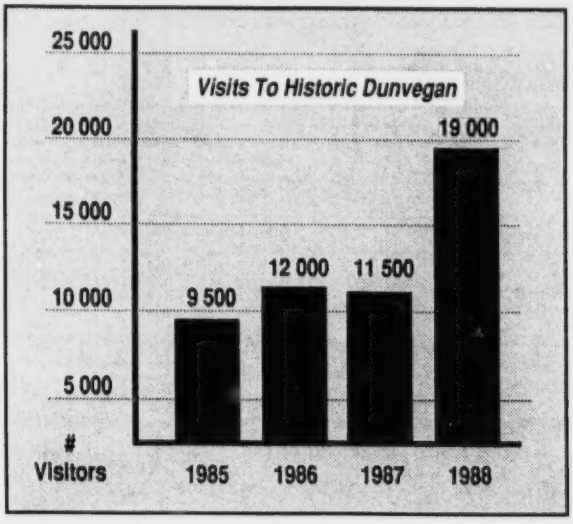
In the Peace River area, non-profit groups play an important role in the provision of recreational and cultural opportunities. They now see their role extending to the operation of tourism opportunities, and we support this development. The Fort Dunvegan Historical Society has played a major role in improving the Historic Dunvegan site. Similar societies in Peace River are important players in the operation of Misery Mountain ski area, and in the development of a regional river museum. There is no lack of initiative in the societies of the area, and they are already important tourism players, operating everything from golf courses to parks offering fishing and cross-country skiing.

PROVINCIAL TOURISM GENERATOR: DUNVEGAN

Description of Proposed Generator

For several years there has been strong local demand to create a tourism attraction that would "draw tourists into the region". The major contender for this role has been a proposed redevelopment of the original Fort Dunvegan, a fort established in 1805 by the North West Company. This redevelopment would include a complete reconstruction of the fort site, along with an interpretive center. The proposed development budget would be approximately 16.4 million dollars (see Figure 4).

The redevelopment of Fort Dunvegan has been actively considered and locally supported for several years. Recently, the Fort Dunvegan Historical Society was successful in obtaining 1.2 million dollars from the Canada/Alberta Northern Development Agreement which has been used to restore the three existing historical buildings on the site. The Society has also contributed $50 000 towards acquiring period furnishings for the buildings.



The buildings on the Dunvegan crossing site have been an attraction for several years, and a limited interpretation program has been offered during this time. The site is the only developed Provincial Historic Site in northwestern Alberta, and has been attracting a steadily increasing number of visitors over the past several years (see graph).

Rationale For Development

Dunvegan was the site of an early fur trade post, and later became a regional mission site. It is noteworthy in northwestern Alberta because three of its buildings are still standing, and are being restored to period condition.

The site occupied by Historic Dunvegan is highly scenic, and is one of the few accessible crossings over the Peace River. The site offers dramatic scenery, and is enhanced by the presence of the largest suspension bridge in Alberta.

Residents of the area have long believed that they must have a large scale attraction that can draw tourists to the Peace River country. They want to have an attraction that is a "must see" for residents of Alberta, and for the many tourists who pass through the area on their way to Alaska and the Yukon. Many residents believe that Dunvegan is the attraction they need: that a fully developed historic fort will provide a "must see" attraction. The Department of Culture and Multiculturalism supports this position, and has put forward a request that the site be developed to a high standard, in recognition of its historic importance, and its potential role as a tourist attraction.

Anticipated Costs

Full development of the historic fort site, including an interpretive center, will cost approximately 17 million dollars. The annual operation of the site will cost an estimated one million dollars annually, once the site is fully developed.

Site strengths

1. **Highly attractive setting**
2. **Restored historic buildings including one of the oldest known buildings in the province**
3. **Interpretive programme**
4. **Several related site themes**
5. **Excellent road access**
6. **Service centers nearby**
7. **Regionally significant historic role**
8. **Association with the Peace River**

Site weaknesses

1. **Located far from large potential markets**
2. **Little public knowledge of historic significance**
3. **Lack of well known associated historic figures**
4. **Extremely limited onsite accommodations**
5. **Lack of onsite children's activities**
6. **Poor access to river or land activities**
7. **Short tourist season/poor weather**
8. **Shortage of nearby related opportunities (tour potential)**
9. **Lack of onsite services**
10. **Lack of tourist services**
11. **Lack of traditional use of area**

Several of these weaknesses can be resolved through appropriate development of the area.

Potential to Attract Visitors

Given the best current information, we estimate that Dunvegan will attract 84 000 visitors in 1994. The basis for this estimate is shown in Table 1.

Cost Recovery

Focus group analysis has shown that these visitors will pay up to $3.00 for the opportunity to visit the site. If we assume a gate charge of $2.50, then the site could recover $195 000 against operating costs (or, a 20 percent recovery, given current operating estimates). However, similar sites currently operate on a donation basis. We therefore estimate that donation revenues will average only $0.50 per person, for gate receipts of $39 000 (which is insignificant in terms of the predicted operating cost).

Tourism Benefits to Region

In order to estimate new visitors to the region, we have subtracted the local market area visitation and school visitation from the total. The resulting number, 49 000, approximates the number of new tourists who will be drawn to the area by the Dunvegan development.

The attraction of 49 000 tourists into the area will result in approximately $1 770 000 in direct expenditures in the region (assuming $33.00 per person calculated recently by the South Peace Planning Commission). Using a conservative multiplier of 1.5, we therefore estimate that direct and indirect expenditures will result in $2 646 000 expended in the region annually.

According to figures supplied by the Canadian Government Office of Tourism, we estimate that this expenditure will result in 80 jobs in the area directly related to tourism.

Requirements for Successful Marketing of Dunvegan

1. Targeted Promotions

Promotion of the site will be the single most important factor in drawing new visitors to the area. The site must be successfully promoted to the Alaska Highway traveller. This implies plenty of advance information available to these potential visitors. The site will also have to be promoted to residents of Fort St. John, Dawson Creek, and Edmonton (we suggest focussing on the family and seniors markets). At a lesser level, it will also be important to promote the area to residents of Saskatchewan, and the Territories.

2. Family Orientation

For the foreseeable future, families will be the largest lifestyle segment attracted. The site must cater to the needs of children and provide onsite play attractions.

3. Interpretive Programming

The opportunity to view people in historic costume and to experience the drama of the lifestyle onsite will be an important part of the attraction.

4. Exhibits and Displays

Exhibits and displays will be important to the Dunvegan site. However, it will be highly desirable to create a display approach that emphasizes changing exhibits and dynamic displays that will attract repeat visitors to the site.

5. Integration of Commercial and Public Services

Since a major intent of the site is to encourage visitor expenditures, we recommend that commercial services be integrated into the site development. This would include souvenir sales, food services, and recreational supplies. It would also include the opportunity to ride the paddlewheel steamer and to rent boats or other recreational equipment. We are confident that this integration will make the site more attractive to visitors in general.

6. Seasonality

We believe that the cold weather months will see significantly limited visitation to Dunvegan. From the outset, there should be

a plan to maximize the efficiency of site operations during this period. It is desirable that a cold season attraction be developed on the site, or that the site be closed for the very slow months to reduce overall operating costs.

7. Tourist Service Training
All employees on site should be trained in the art of interpretation, and also in the art of customer relations.

TABLE 1. POTENTIAL VISITATION HISTORIC DUNVEGAN (1994)

	MAXIMUM	MID-RANGE	MINIMUM
1. Local Day Use	28 970	25 015	14 480
2. Secondary Markets (3 hrs)	17 800	16 300	13 035
3. Alaska Highway	12 025	10 750	7 590
4. Edmonton Family	17 123	11 400	5 710
5. Edmonton Seniors	6 980	4 650	2 320
6. Saskatchewan/NWT	10 000	6 250	2 500
7. Calgary	10 430	4 170	2 080
8. School Groups	4 000	3 000	2 000
9. Others (3%)	3 200	2 400	1 400
	110 500	84 000	52 000

Further Observations
The potential for the proposed Dunvegan site to attract tourists into the area has been demonstrated. However, we are concerned that only one of the site weaknesses listed in the Section above has been specifically addressed. We believe that the maximum tourism benefits of this project can only be derived if other tourism requirements are also met. The highest priorities are the provision of fully serviced accommodation, and the provision of viewpoints along the road access. Also important is the provision of improved water access and improved access to land trails. Our confidence in the site will increase even further if there is a range of tourist services available, and if the site is properly marketed as part of a complete tourism destination.

Without nearby accommodations of sufficient size and quality, Dunvegan will remain a day use site. This will severely limit its capture area and its performance as a tourism generator.

We are also concerned about the lack of specific cold season attractions or opportunities. If sites like Dunvegan can capture visitors for less than 120 days per year, their performance is significantly constrained, and the opportunity for private sector participation is jeopardized. A specific assessment of the offseason market and the development of offseason opportunities will be a critical factor in the success of the site. Failing the development of offseason opportunities, the scale of the site should be reassessed with respect to the short operating season.

REGIONAL TOURISM GENERATORS

Our assessment of regional tourism generators is intended to provide an overview of private sector initiatives that will support the growth of the tourism industry. The participation of the private sector is critical to the success of the public tourism investment.

We found that no one facility or offering would single handedly generate tourism demand, but that various opportunities offered in combination would become important attractions within the region. The most important single development appears to be a fully serviced campground that provides a full range of activities on-site, and capitalizes upon scenery and opportunities within the Peace River Valley. Other regional generators which we assessed included a paddlewheel tour boat and a 40 unit deluxe tourist hotel (see Figure 3).

In many locations, the addition of a serviced campground or a hotel would not create tourist demand. However, in the study area, neither opportunity is available, and the market response is constrained by the lack of suitable accommodation/resort facilities.

Fully Serviced Campground (120 units)

We assessed the potential to develop a family destination resort in the Peace River Valley. This resort would provide a fully serviced campground, along with site amenities such as boat rentals and launch, hiking trails, fishing, adventure play area, food concession and camper services. It would also support access to local historic sites and recreational areas. This campground development should be in a scenic location, and should accommodate the need for poor weather activities.

We were able to locate two ideal locations for such a development. The most suitable was on land adjacent to the Historic Dunvegan development (Figure 4). This site met all of our requirements and provided an opportunity to combine the resort with the proposed provincial generator. The other location was on Sisson Island, adjacent to the town of Peace River. This site provided water access in summer, and ski hill access in winter, along with proximity to the Shaftesbury Trail historic route (Figure 5).

In order to assess the potential viability of such a proposal, we first analyzed the potential camper demand for the area. The results of our analysis are shown in Appendix 6, and indicate that demand for camping is currently around 70 000 party nights per year, and will reach around 80 000 party nights per year by 1994. The current supply of campsites in the area is approximately 750 sites, which would be an adequate supply. However, the 1988 study of tourism demand suggested that there are far too many basic unserviced campsites, and no deluxe serviced sites available. We therefore believe that the market will sort by price level, and that there is significant market demand for this kind of resort.

Secondly, we assessed the cost of developing the resort, and the predicted levels of use. These are presented for the Dunvegan site in Table 2. We found that this development could return a profit, but only if certain conditions were met. The first condition is the most critical: the campground must be located adjacent to a major attraction area in order to draw the relatively high levels of attendance which we have forecasted. The second condition is that the facility operator must design and manage the site to attract a portion of the business outside the limited peak camping season. The third condition is that the developer must have some assistance with capital development costs in order to make the site a "quality" site that will attract consistently high use.

Given all these conditions, we believe that our prediction for visitation is achievable. This use level would attract 24 000 persons into the area. Allowing that 21 percent of this use is by

local residents, this attraction would bring 19 000 visitors into the region annually. The attraction would result in $1 026 000 for the local economy. This would provide approximately 30 local jobs, directly related to the tourism industry.

If the resort was developed at Peace River, rather than Dunvegan, we believe that its net performance would be approximately the same. The resort would perform less well during the peak season, but would perform better during poor weather periods, and have a longer extended season.

TABLE 2. Analysis- 120 Unit Fully Serviced Campground (Dunvegan)

Occupancy

May	410 nights (12%)
June	1 360 nights (40%)
July	3 060 nights (90%)
August	2 210 nights (65%)
Sept.	680 nights (20%)
Oct.	340 nights (10%)
TOTAL	8 060 nights

Profitability

Camping fees	$120 900 gross revenue ($15.00/night)
Sales/rentals	$ 36 270 gross revenue (30%)
TOTAL	$157 170
Expenses	$122 000
Net profit	$ 35 170

Projected no. of users - 24 180
Projected no. of tourists - 19 350
Total Capital Investment - $1 500 000
Provincial government investment - % $ 1 200 000 *
Private sector investment - $300 000

Economic Benefits

Capital Related Benefits - $2 250 000
Capital Related Jobs - 30
Annual Related Benefits - $1 044 900
Annual Related Jobs - 21

* N.B. Province would underwrite only $200 000 (40%) of campground development costs. The major investment shown is park day use area, trails and public area development.

Deluxe Tourist Hotel (40 units)

There are no deluxe accommodations in the study area that offer any of the following amenities: attractive grounds, view of a regionally significant landscape, architectural significance, or recreational amenities. The ideal tourism development would combine all of these features, but we believe that at least two of these conditions must be met by the proposed development. We are proposing a development adjacent to the town of Peace River, in association with Misery Mountain. This development would provide exceptional views, extensive natural grounds, and access to golfing, skiing, and hiking.

The proposed hotel will benefit from the lack of local competition for the tourism market. However, the tourist season is despairingly short, and the owner will likely want to provide accommodations for off-season business traffic. Our recommendation is that the hotel will benefit from its close proximity to Peace River, allowing it to attract a segment of the business traffic. The hotel will have to be priced at the high end of the local price scale, in order to avoid being drawn into becoming a hotel for field service workers.

TABLE 3. Analysis-Deluxe Tourist Hotel (40 units) with 64 seat Restaurant

Occupancy Rates

October - April 30 weeks	8 400 room nights cap.
assume 50% occupancy	4 200 room nights
May - September 22 weeks	6 160 room nights
assume 70% occupancy	4 300 room nights
TOTAL ROOM NIGHTS	8 500

Total revenues - $863 000
Expenses $355 000
Profit (before taxes) - $218 000

Number of visitors - 17 000
Number of tourists - 15 300

Total Capital Investment - $2 700 000
Provincial Capital (25%) $675 000
Private Capital - $2 125 000

Economic Benefits

Capital Related Benefits - $4 050 000
Capital Related Jobs - 54
Annual Related Benefits - $1 147 500
Annual Related Jobs - 23

We would suggest that the hotel position itself as the "top of the line", and price accordingly. However, we recognize that the hotel will employ special rates, especially during the off-season. In order to maintain its status as a tourist hotel, we recommend that the special rates be targeted as "family rates" and "weekend rates". Business promotions should be targeted to managers and professionals that are travelling to Peace River for meetings and inspections. The winter business would also take advantage of adjacent ski opportunities (packages).

A similar kind of development has been proposed outside Rycroft. This proposed development will benefit from its close association with the Dunvegan development. The Rycroft development would be much more dependent upon roadside business, and upon attracting Dunvegan visitors in the summer. The chosen site unfortunately does not have a regionally significant view. The owner is astutely combining the development with a tourist center, and proposing attractive grounds and oversize suites with attractive furnishings.

Paddlewheeler

The Peace River is a relatively tranquil river as it flows past Dunvegan and the town of Peace River. This, along with the scenic valley viewscapes, make the river ideal for cruises. Since it is almost impossible to build a road along the valley, the cruise opportunity offers exclusive view possibilities.

Cruises have been offered before on the Peace, but they have never been offered on a "commercial" scale, or properly promoted. Fortunately, an entrepreneur has already developed a paddlewheel cruise boat that will be available to the public at Dunvegan beginning this summer. We expect that the boat will be marginally profitable, and will likely require a public subsidy in order to maintain operations. However, the tourism benefits to the region are significant, and may merit such a subsidy. The figures presented here are adapted from a recent riverboat study (the D.A.Thomas), completed for the town of Peace River. Given that the Peace Princess is a smaller boat, the figures have been reduced by one-third.

Table 4. Sample Analysis
Paddlewheeler Tour Boat

No. of Visitors - 19,000
No. of Tourists - 15,000
Capital Investment - $500,000

Economic Benefits

Capital Related Benefits - $750,000
Capital Related Jobs - 10
Annual Related Benefits - $810,000
Annual Related Jobs - 15

TABLE 5. COMPARISON OF POTENTIAL INVESTMENTS IN TOURISM (PEACE RIVER)

	A Basic Dunvegan	B Dunvegan Mix	C Ultimate Dunvegan	D Regional Mix
VISITORS (TOTAL)	35 000	85 800	104 000	104 000
TOURISTS TO AREA	25 000	72 800	90 000	90 000
ECONOMIC BENEFITS				
CAPITAL INPUT	$6 000 000	$1 950 000	$30 000 000	$22 500 000
OPERATING COSTS INPUT	$345 000	$1 425 000	$2 025 000	$1 605 000
VISITORS EXPENDITURES	$1 497 000	$4 125 000	$5 070 000	$5 070 000
JOBS, CAPITAL	80	275	420	300
JOBS, ANNUAL	30	83	102	102
INVESTMENT				
PROVINCIAL - CAPITAL	$4 000 000	$13 000 000	$20 000 000	$15 000 000
- OPERATING	$230 000	$600 000	$1 000 000	$600 000
PRIVATE - CAPITAL		$800 000	$800 000	$1 100 000
- OPERATING		$350 000	$350 000	$470 000
MUNICIPAL - CAPITAL				
- OPERATING				
NON-PROFIT - CAPITAL	$50 000	$50 000	$50 000	$50 000
- OPERATING				
RISKS				
SHORT SEASON	+	++	+++	+++
POOR WEATHER	+	+++	++	+++
HIGH OPERATING COSTS	+	++	+++	++
ECONOMY/TRAVEL COSTS	+	++	+++	+++
COMPETITION	+	++	+++	+++

<u>ASSUMPTIONS</u>

1. VISITOR EXPENDITURES
   ESTIMATE: $36/day for tourists to area, based on ref # 25.
   $15/day for day users, based on ref # 5.

2. ECONOMIC BENEFITS
   ESTIMATE: 1.5 x all expenditures (visitors, capital, operation).
   This was a mid-line assumption, based upon relevant multipliers ranging from 1.3 to 2.3. A conservative average, overall.

3. JOBS:
   ESTIMATE: 20 jobs / $1 000 000 of capital
   Very close to the estimate used in reference # 5.
   30 jobs / $1 000 000 of visitor expenditures
   (Conservative end of range provided by Tourism Canada)

RECOMMENDATIONS

Having thoroughly studied the area and the likely sources of tourist visitation, we believe that the creation of a provincial tourism generator in the area is a good idea. However, we believe that the scale and range of this attraction should be looked at closely before the provincial government makes its investment. We have included a summary chart, to illustrate the range of choices which we feel should be considered.

The range of choices varies from a minimal investment (simply completing Dunvegan with three buildings onsite and site improvements) through a range of mixed investments, to a top end investment, based upon the Dunvegan site. Since we feel that an integrated tourism attraction will required, we have shown a majority of options with accommodation and services provided onsite.

A. Basic Dunvegan
Restore and furnish all existing historic buildings onsite, and provide a visitor reception area with limited display capacity. Upgrade walking paths and site signs. Develop parking and clear and landscape the area around the factor's house. Improve roadway entry to the site. Develop improved access and relationship with municipal day use site. Provide scenic pull-offs on approach roads. Expand existing campground to 50 units.

Estimated capital cost: $3 million
Estimated operating cost: $230 000

B. Dunvegan Mix
Includes all of option "A" above, except for the campground. It also includes an interpretive center, and a partial reconstruction of the fort (especially the facade). This development would be combined with a 120 site fully serviced campground, and a full range of recreational attractions including boat rentals, paddlewheel boat, restaurant/food outlet, trails, and adventure play area.

Estimated capital cost: $13 million
Estimated operating cost: $600 000

C. Ultimate Dunvegan
This option assumes that the Historic Dunvegan site will be developed to its full potential, including the complete restoration of the fort. In addition, a 120 unit campground will be developed, with a full range of features, services and attractions (see Figure 4).

Estimated capital cost: $20 million
Estimated operating cost: $1 million

D. Regional Mix
This option assumes that Dunvegan will be developed as described in option "B" (Dunvegan Mix), and that an additional development of a tourism resort center will occur along the Shaftesbury Trail, at the town of Peace River.

Estimated capital cost: $15 million
Estimated operating cost: $600 000

The impact of each of these options is illustrated in Table 5. The figures in the tables assume that the operation and maintenance of everything other than Fort Dunvegan is entirely the responsibility of a private operator, and those operational costs are therefore not described in the figures provided above.

CONCLUSIONS

1. The development of tourism as an industry in the Peace River area is feasible, and will provide substantial benefits to the area. However, it is in its infancy and will require substantial support from the provincial government, in the form of planning, subsidization of capital investment and marketing.

2. The Peace River Valley is the main attraction for tourists, and any development must capitalize upon its proximity to views and recreational opportunities in the valley.

3. The two best sites for tourist resort development are located at Dunvegan crossing, and at Misery Mountain, in our opinion.

4. If the government invests in a restoration of Dunvegan it should also ensure that suitable accommodation facilities are developed so that the return of benefits to the region will be maximized. The combination of day use and overnight facilities will be more attractive when placed in close proximity.

5. We recommend that the government diversify its investment in the tourism industry in the Peace Country. The investment in Dunvegan is reasonable and beneficial, but it should be accompanied by related investments in a diversity of accommodation, recreational opportunities, and promotion.

6. The short warm season in the study area is the major detriment to tourism growth. It is difficult for a privately run facility to create a reasonable return, based upon a 100 day season. We suggest that the potential for winter attractions be assessed further, although we are doubtful of finding attractions beyond regional scale. Within the study area, Misery Mountain offers the best potential for development of a year-round resort.

7. Several local entrepreneurs have declared their willingness to invest in the tourism industry. We applaud their courage and commitment. However, we also believe that the government should help these entrepreneurs plan for the appropriate tourism locations and "positioning". We are concerned about the longterm viability of ventures like the paddlewheel cruise, and we believe that this kind of venture will eventually require public support to be viable. Public support may not a be a bad idea, if the venture is capable of generating substantial tourism revenue into the region.

8. Where possible, we recommend that the government consider joint ventures with private sector investors as a way to boost the tourism industry.

Annotated Bibliography

1. Alberta Culture and Multiculturalism, Historic Sites Service, Historic Dunvegan- Provincial Historic Site Development Proposal, Edmonton, 1985
   - a description of the history and geographical relationships of the site, an outline of proposed capital development and a potential market analysis.

2. Alberta Hotel Association, Alberta Campground Guide 1989, Edmonton, 1989.
   - factual information on campground facilities in the area

3. Alberta Hotel Association, Alberta Accomodation Guide 1989, Edmonton, 1989.
   - factual information of approved tourist accomodation in the area.

4. Alberta Recreation and Parks, Program Development Branch, Auto Access Camping Demand Survey, Calgary, n.d
   - provides a basis for estimating the demand for auto access camping in the province, a clear estimate of the number of households in market areas and establishes a basis for demand and viability of campground facilities.

5. Alberta Recreation and Parks, Economic Evaluation Framework for Parks Planning and Economic Impacts of Alberta's Provincial Parks, Volume II Economic Impacts of Alberta's Provincial Parks, Calgary, 1986.
   - a projection of the economic benefits of campground development and operation.

6. Alberta Recreation and Parks, 1988 General Recreation Survey, Edmonton, 1988.
   - analysis of participation rates in outdoor activiities such as camping, hiking and skiing.

7 Alberta Recreation and Parks, Field Support Branch, Park User Statistics1986, Edmonton, 1986.
   - a complete and detailed compilation of data related to the use of provincial parks, including monthly camping and day use attendance, party size, etc.

8. Alberta Recreation and Parks, Field Support Branch, Park User Statistics1987, Edmonton, 1987.
   - a complete and detailed compilation of data related to the use of provincial parks, including monthly camping and day use attendance, party size, etc.

9 Alberta Recreation and Parks, Field Support Branch, Park User Statistics1988, Edmonton,1989.
   - a complete and detailed compilation of data related to the use of provincial parks, including monthly camping and day use attendance, party size, etc.

10 Alberta Tourism and Small Business, Alberta's Private Campground Industry, Calgary, 1988.
   - an assessment of the viability of private campgrounds in the province, and the operational costs.

11. Alberta Tourism and Small Business, Travel Alberta, A Profile of the Alberta Visitor - A Study of Their Attitudes and Motivations, Edmonton, 1983.
   - a very broad and conceptual analysis of the tourist in Alberta.

12. Alberta Tourism and Small Business, 1982 Alberta Travel Survey - A Non-Resident Visitor Study, Volume 1 Summary Report, Edmonton, 1982.
- a cordon study carried out by Travel Alberta to obtain detailed information on the non-resident visitor to Alberta.
- specific information was obtained from the survey about the nature of travellers,broken down by tourism zone.

13. Alberta Tourism and Small Business, Travel Alberta, Mighty Peace Tourism Destination Area Study, Calgary,1984.
- analysis of existing and potential tourism attractions, a report of existing tourist characteristics and participation rates.

14. Alberta Tourism and Small Business, Travel Alberta, Zone Market Profile - Game Country, Edmonton, 1986.
- an extrapolation of information by Travel Alberta from the Canadian Travel Survey 1986 to provide information on the major attributes of Albertans travelling in the province.

15. Alberta Tourism and Small Business, Travel Alberta, Zone Market Profile - Land of the Mighty Peace, Edmonton, 1986.
- an extrapolation of information by Travel Alberta from the Canadian Travel Survey 1986 to provide information on the major attributes of Albertans travelling in the province.

16. Beaverlodge Tourism Action Plan, Town of Beaverlodge, 1988.
- an overview of local business development plans relating to tourism

17. Environment Council of Alberta, Tourism in Alberta, A Discussion Paper Prepared for the Alberta Conservation Strategy Project, Edmonton, 1988.
- an assessment of potential tourism trends in Alberta.

18. Northern Alberta Development Council, Economic Development Opportunities in Northern Alberta,Region 2: Upper Peace, , 1983.
- a broad comparative analysis of economic development opportunities within this region.

19. Northern Alberta Development Council, Economic Development Opportunities in Northern Alberta, Region 4: Grande Prairie Area, 1983.
- a broad comparative analysis of economic development opportunities within this region.

20. Peace River and Area Socio-Economic Impact 1988-1995, Summary Report based on Environmental Impact Statement of Daishowa Canada Ltd. & Shell Canada Ltd., MacKenzie Regional Planning Commission.n.d.
- an analysis of population growth trends in the area.

21. Peace River Tourism Action Plan, Town of Peace River, n.d.
- an overview of local business development plans relating to tourism.

22. Peace Valley Conservation and Recreation Committee, Upper Peace Valley Recreation Sites Project - A Western Diversification Initiative Funding Application, 1988.
- an analysis of the potential for campground development and access in the Peace River area and a projection of tourism demands.

23. Proposed Peace River Interpretive Centre - Theme Selection Study, Kanata Heritage Research and Presentation Corporation, Edmonton,1987.
- a study of the potential to locate an interpretive centre in or near the town of Peace River and the theme that such a site would portray.

24. Riverboat Study - Final Report, Overseas Canadian Project Management and Planning Inc. n.d.
- economics, feasibility and benefits of the operation of a paddlesteamer.

25. South Peace Regional Tourism Study, South Peace Regional Planning Commission, 1988.
- the definitive source for visitor characteristics and participation rates in the South Peace area including Grande Prairie, Peace River and High Prairie.

26. Statistics Canada, Touriscope - Tourism in Canada A Statisical Digest, Ottawa, 1988.
- provided a statistical baseline against which projections could be measured.

27. Team Tourism Marketing Plan, Game Country Tourist Zone, IMC Consulting Group Inc., 1988.
- an analysis of tourist attractions and potentials in the zone.

28. Team Tourism Marketing Plan,Land of the Mighty Peace Tourist Zone, IMC Consulting Group Inc., 1988.
- an analysis of tourist attractions and potentials in the zone.

29. Town of Fairview Population Projections - A Discussion Paper, MacKenzie Regional Planning Commission, 1984.
- provides a baseline for population projections in the area.

Personal Communications

1. Rob Rycroft, Director of Operations.Town of Peace River.
- an outline of existing and proposed tourist facilities in the Peace River area.

2. Don Howden, Municipal Manager for the Town of Fairview.

3. Cliff Larsen, Executive Director of Historical Dunvegan Society.
- a description of existing tourist facilities and attractions in the Fairview area, projections of the development potential at Dunvegan.

APPENDIX

1. POPULATION ESTIMATES

Populations

Population of the Primary Market Area

Location	Population
Beaverlodge	1,808
Berwyn	665
Bluesky	165
Brownvale	134
Clairmont	469
Donnelly	405
Eaglesham	195
Fairview	2,998
Falher	1,175
Girouxville	370
Grande Prairie	26,471
Grande Prairie County #1	12,042
Grimshaw	2,575
Hines Creek	513
Hythe	673
Jean Cote	75
La Glace	165
Marie Reine	93
McLennan	993
Nampa	465
Peace River	6,290
Reno	27
Rycroft	670
Sexsmith	1,256
Spirit River	1,090
Tangent	40
Wanham	230
Watino	47
Wembley	1,208
Whitelaw	139
Municipal Districts	
M.D. of Spirit River #133	2,853
M.D. of Peace #135	1,527
M.D. of Fairview #136	1,903
Improvement Districts	
I.D.#19	1,620
I.D. #20	2,922
Total	74,271

Population of 3 Hour Driving Circle

Primary Market Area	**74,271**
C.D.17 (est.40%)	19,540
C.D.18 (est.50%)	6,794
I.D.21	2,992
I.D.22	4,451
British Columbia (estimate)	27,000
Total	**135,048**

Population of 6 Hour Driving Circle

3 hour driving circle	**135,048**
Edmonton (CMA)	785,465
St. Albert	37,008
C.D.17 (est.60%)	29,311
Fort McMurray	34,949
I.D.18 (est.40%)	4,199
C.D.13	54,973
C.D.14	25,309
M.D.90	14,019
County 31	24,394
C.D.18 (est.50%)	6,794
I.D.12 (est.40%)	1,571
British Columbia (estimate)	77,000
Total	**1,230,040**

Source: 1986 Census of Canada

APPENDIX

2. VISITOR CHARACTERISTICS

Non-Resident Visitors to the Zone

Peace River lies in Tourist Zone 8 - Land of the Mighty Peace.
In 1982 93,000 non-resident household parties visited Zone 8 with an average household party size of 2.14, it is estimated that a total of 198,000 people visited the Land of the Mighty Peace of these, 59,000 persons listed Zone 8 as their main destination. As a primary destination zone The Land of the Mighty Peace ranks tenth out of fourteen.

Origin of Visitors to Land of the Mighty Peace 1982

	All visits To Zone	Zone Main Alberta Destination	Overnight in Zone
Canada	79%	94%	69%
• B.C.	36	76	34
• Saskatchewan	7	6	5
• Manitoba	3	2	2
• Ontario	5	2	4
• Quebec	2	--	*
• Atlantic Provinces	1	2	1
• Yukon	3	1	2
• N.W.T	21	6	21
U.S.A	16	6	30
International	5	--	2

* Less than 1/2 of 1%
- - Not available

Primary Trip Purpose

Most visitors to the Zone (48 %) were on vacation and those visiting friends and relatives 34 per cent. Only 13 per cent of the travellers were on business , 5 per cent were visiting for personal reasons, and 1 per cent was just passing through.

Primary Activities of Land of the Mighty Peace Visitors 1982

	All visits to Zone	Zone Main Alberta Destination	Overnight in Zone
Activity			
Sightseeing	66%	48%	67%
Visiting	61	69	64
Relaxing	42	41	46
Shopping	33	23	36
Camping	42	19	40
Museums	30	20	30
Picnicking	25	20	28
Special Events	13	8	10
Sporting Activities (All)	78	75	81
Fishing	15	11	19

Source: Alberta Culture, 1982 Alberta Travel Survey

Alberta Resident Visits to the Zone

From the Travel Alberta Market Profiles, based on the 1986 Canadian Travel Survey,

- Albertans accounted for 116,000 of the total 134,000 person trips to the Land of the Mighty Peace in 1986
- 57% were in the 20 - 44 age group
- 62% were on weekend trips and considered the trip for pleasure or for the purpose of visiting friends or relatives
- 76% were travelling by auto
- 89% stayed one or more nights in the Zone.

Traffic Patterns

AADT and ASDT Figures for Selected Locations in the Peace River Area (Two way traffic volumes)

	1985		1986		1987	
	AADT	ASDT	AADT	ASDT	AADT	ASDT
Location						
Highway 2						
N of 49 SW of Donnelly	---	---	2,030	2,190	1,750	1,900
1 km N 2 & 686 Peace River	2,900	3,080	2,850	2,990	2,680	2,900
S of 35 N of Grimshaw	2,750	2,850	2,460	2,550	---	---
4 km S 2 & 64A Fairview	1,590	1,720	1,520	1,640	1,590	1,710
N of 49 E of Rycroft	---	---	1,720	1,850	---	---
5.3 km S 2 & 49 Rycroft	2,110	2,250	2,110	2,180	2,150	2,310
N of 34 N of Grande Prairie	---	---	4,920	5,150	5,720	6,150
4.5 km W 2 & 40	5,690	6,080	---	---	6,040	6,500
Highway 34						
9 km E 2 & 34 WJ	3,000	3,460	2,970	3,360	3,090	3,560
Highway 49						
2.1 km E 2 & 49 Rycroft	960	1,050	920	990	---	---
W of 2 SW of Donnelly	---	---	2,310	2,520	2,410	2,600
E of 2 SW of Donnelly	---	---	2,080	2,270	2,200	2,380
Highway 64						
12.1.km N 64 & 64A Fairview	960	1,040	1,010	1,040	990	1,060

--- Data not collected

The difference between the Average Annual and the Average Summer traffic figures provide us with a rough measure of tourist traffic in the area. They indicate the seasonal increase in traffic that can be expected during the peak season months.

Vehicle Type Statistics 1987

	Traffic Volume		Vehicle Class (%)			
Location	WAADT	WASDT	Passenger	Recreational	Bus	Truck
Grande Prairie Hwy 2						
S of 49 E of Rycroft to Webster	2083	2243	80.2	2.7	0.4	16.7
Sexsmith S to Clairmont	4860	4270	91.0	0.5	0.6	7.9
S of 34 N to Beaverlodge	4903	5277	79.0	8.7	0.7	11.7
W of 722 Beaverlodge to B.C.	2025	2194	67.6	9.7	0.9	21.8
Peace River						
Peace River to Grimshaw	3483	3759	83.1	3.5	0.4	13.0
Grimshaw to Whitelaw	1682	1840	82.3	4.5	0.0	13.1
Donnelly to Nampa	1420	1540	77.1	2.1	1.0	19.8

The WAADT and WASDT traffic volumes are weighted over a certain section of the highway, as opposed to the AADT and ASDT figures which are for a specific point on the highway.

Source: Alberta Transportation and Utilities, Traffic Information Services

Air / Rail / Bus Access

The Peace River Chamber of Commerce estimates that 22 seniors tours with a total of 500 people stopped overnight in Peace River last summer, en route to Alaska and the N.W.T., from as far afield as California.
Based out of Edmonton four bus lines were found to operate tours which included parts of the Peace River area. **Canadian Motor Coach Travel** operates a 5 day Spring tour in association with Travel Alberta for Seniors of the Grande Prairie/Peace River area.
Royal Tours of Edmonton also operates a 5 day Peace River tour in September, the tour spends one night in Grande Prairie and visits the Pioneer Museum and one night in Peace River stopping at Historic Dunvegan, and Fairview. **Wiebe Tours Ltd.** offer one scheduled tour to the Yukon and Alaska that overnights in Peace River. They estimate that 95% of their business is seniors.
Nagel Tours do not operate any tours with a Peace River Country destination. They do however run about a dozen tours each year for various groups that pass through Grande Prairie and overnight before heading up the Alaska Highway.
Cardinal Tours operating out of Calgary books about 4 tours a year that overnight in Grande Prairie enroute to Alaska.

Canadian Airlines (Time Air) has several daily flights to both Peace River and Grande Prairie. Air B.C also has regularly scheduled flightsto Grande Prairie.
Charter flight services include: Peace Air Ltd. Northern Air Charter, Alberta Flights Ltd. and North American Airlines.

Contacts

Zone Tourist Office (Carmen Johnson)	624-4042
Town of Peace River - Recreation Dept.	624-1000
Economic Development Board Peace River (Joan Goldhawk)	624-4166
Alberta Museums Association (Monica McNab)	427-3182
Economic Development Officer Grimshaw (Carmel Ellis)	332-1334
Community Services, Grande Prairie	538-0380
Economic Development & Trade, Grande Prairie	532-5340
Chamber of Commerce, Grande Prairie	538-5230
Wildlife Biologist, Lands, Forestry & Wildlife (John Folinsbee)	427-3574

School Enrollment Figures 1987
(Includes Elementary, Junior High and Senior High)

East Smoky School Division # 54	1,763
Fairview School Division # 50	1,480
Northland School Division # 61	2,318
Peace River School Division # 10	2,649
Spirit River School Division # 47	1,163
Fairview RCSSD # 35	367
Grande Prairie RCSSD # 28	1,445
McLennan RCSS District # 30	143
North Peace RCSSD # 43	958
Sexsmith RCSS #51	99
Spirit River RCSSD #36	69
Grande Prairie College	1,400
Total	**13,854**

APPENDIX

3. FACILITIES & ATTRACTIONS

ExistingTourist Facilities

Camping Facilities

Fairview Lions Campground (CL)	Fairview	10
Cummings Lake Recreation Area (M)	Fairview	24
Grande Prairie Rotary Park (CL)	Grande Prairie	38
Gunderson Meadows (AF)	Grande Prairie	25
Musreau Lake (AF)	Grande Prairie	69
Pine Hollows (AF)	Grande Prairie	25
Saskatoon Island Provincial Park (PP)	Grande Prairie	96
Manir Campground (AT)	Rycroft	30
Nardam Lake Campground (M)	Rycroft	15
Moonshine Lake Provincial Park (PP)	Spirit River	110
Spirit River Municipal Campground (M)	Spirit River	8
Peace River Lions Club Park (CL)	Peace River	81
Peace River (nr. Twelve Foot Davis)	Peace River	15
Queen Elizabeth Provincial Park (PP)	Grimshaw	56
Grimshaw Recreation Area	Grimshaw	17
Rainbow Trout Park (PO)	Jean Cote	55
Sexsmith Heritage Park (M)	Sexsmith	13
Watino Campground (AT)	Watino	30
Woking Campground (AT)	Woking	20
Hythe Municipal Campground (M)	Hythe	17
Demmitt Campground (AT)	Demmitt	15
Beaverlodge Municipal Campground (M)	Beaverlodge	19
Dunvegan Recreation Area (PP)	Dunvegan	15
Harmon Valley Park (CL)	Nampa	17
Total		**820**

CL - Community League
PP - Provincial Park
M - Municipal
PO - Privately Owned
AT - Alberta Transportation
AF - Alberta Forestry
Source: Alberta Campground Guide, 1989

Camping and Day Use of Provincial Park Facilities

Park Visitation, Peak Season (April 15 - September 15)

	1986		1987		1988	
	Day Use	Overnight	Day Use	Overnight	Day Use	Overnight
Park/ P.R.A						
Dunvegan	---	---	3,234	2,087	2,944	2,077
Moonshine Lake	25,375	13,702	21,605	11,525	16,893	9,466
Queen Elizabeth	36,050	5,994	10,238	6,301	9,625	5,203
O'Brien	43,404	N/A	50,850	N/A	37,425	N/A
Saskatoon Island	26,813	7,921	30,250	9,319	34,625	10,862

--- Data not collected

Source: Alberta Recreation andParks, Field Support Branch.

Alberta Recreation and Parks Camping Survey

Saskatoon Island Provincial Park

Primary Place of Residence for Campers (1987)		Place of Origin for Day Users (1983)	
Grande Prairie	50.1%	Grande Prairie	63.8%
USA	12.4%	Wembley	12.8%
BC	11.5%	Beaverlodge	4.7%
Beaverlodge	4.5%	BC.	3.1%
Edmonton	3.2%		
Wembley	2.7		

Queen Elizabeth Provincial Park

Origin of Campers (1986)		Primary Place of Residence for Day Users (1987)	
Grimshaw	20.8%	Grimshaw	38.4%
Peace River	19.5%	Peace River	32.2%
Berwyn	7.8%	Berwyn	8.9%
Fairview	6.8%	Fairview	4.3%
Edmonton	6.5%	Mannville	2.3%
Grande Prairie	4.5%	BC	2.3%
Manning	2.9%		
Calgary	2.6%		
BC	2.6%		
NWT	2.6%		
USA	2.6%		

Moonshine Lake Provincial Park

Primary Place of Residence for Campers (1987)		Primary Place of Residence for Day Users (1987)	
BC	26.3%	Spirit River	32.6%
Grande Prairie	23.0%	Blueberry Mtn.	15.8%
Spirit River	5.9%	BC	12.7%
Peace River	3.7%	Grande Prairie	10.9%
USA	2.6%	Rycroft	10.1%
		Silver Valley	5.8%
		Wanham	2.7%

Accomodation (Alberta Accomodation Guide 1989)

Name	Rooms	Extras	Rating
Peace River			
Crescent Motel	95 units		3
Peace Valley Lodge	70 units		3
Traveller's Motor Hotel	149 units	Rest, lounge, sauna	2
Grande Prairie			
Alpine Motor Inn	62 units	Swim-Out, rest	3
Econo-Lodge Motor Inn	50 units	Swim-Out	3
Golden Inn Hotel	102 units	Swim-In, rest	2
Grande Prairie Inn	212 units	Swim-In, rest	2
Lodestar Motel	44 units		3
Renford Inn	202 units	Rest, pub	3
Silver Crest Lodge	95 units		3
Trumpeter Motor Inn	122 units	Swim-In, rest, pub	2
Twin Pine Motor Inn	77 units	Swim-In, BBQ	2
Westport Inn	63 units		3
Fairview			
Comfort Inn Motel	37 units	BBQ	3
Dunvegan Motor Inn	46 units	Rest, lounge, pub	2
Midtowner Motel	37 units		3
New Grand Hotel	23 rooms	Rest, pub	3
Falher			
Falher Hotel	17 rooms	Rest, lounge, pub	3
Ruel Motel	24 units		3
Grimshaw			
Dee-Jay Motel	15 units		3
Grimshaw Hotel	29 rooms	Rest,pub	3
Mile Zero Motor Inn	47 units	Rest, lounge, pub	3
Eaglesham			
Eaglesham Hotel	7 rooms	Rest, pub	3
Girouxville			
Esquire Hotel	11 rooms	Rest, pub	3
McLennan			
McLennan Motor Inn	26 units	Rest, lounge, sauna	3
Nampa			
Big Country Inn	15 units	Rest, lounge	3
Rycroft			
Crossroads Motel	21 units		3
Spirit River			
49 Motel	27 units		3

Rating system: 1. Full service, year round resort-type accomodation (eg. Jasper Park Lodge)
2. Mid-range, some extras available for the visitor.
3. Basic sleeping accomodation only.

Restaurants

Peace River (20)
A & W
*Alexander's Dining Room (Traveller's Motor Hotel)
Boston Pizza
Burger House
Chicken Village
Chuck's Place
Dog House Drive-In
Golden Palace Dining Lounge
Kentucky Fried Chicken
Kwik Kitchen
Kypros Pizza Village
LKK Drive-In
Lucky Strike Sub Shop
Mayflower Restaurant
Mc Namara Coffee Shop
Peace Garden Restaurant
*Silver Spur Saloon Night Club & Restaurant (riverside dining on deck)
TJ's Restaurant
Traveller's Restaurant
Villa Bokou Steak House & Pizza

Grande Prairie (47)
A & W
Aberdeen Pub & Restaurant
Arby's Restaurant
Atlantic Submarine
Bamboo Drive-In
Bonanza Family Restaurant
Boston Pizza
Chicken Village (2)
China Lily Dining Lounge
Coffee Gal
Coyote Catering Inc.
Crown & Anchor Pub
Dairy Queen
Dar's Pizza
Eastside Kitchen
Fuzzy Orange
Golden Inn
Granpa J's
Greenhouse Family Restaurant
Hombre's Restaurant
Hotline Pizza
Imperial Garden Restaurant
Jimmy's Restaurant & Lounge
Mah's Family Restaurant
Major's Bar & Grill
McDonald's
Midtown Restaurant
Mom's Hot Pan Pizza
Morningside Club
Muskie's Den (in Muskoseepi Park Pavillion)
Paesano's Eatery
Pepper Pot

Regional Tourist Attractions

		Visitation
Historic Dunvegan	Dunvegan	18,000 (1988)
Dunvegan Susupension Bridge	Dunvegan	
Twelve Foot Davis Grave Marker	Peace River	
Judah Hill Lookout	Peace River	
Peace River Centennial Museum	Peace River	3,529 (1987)
Green Valley Trail	Peace River	
Tar Island River Cruises and Camps	Peace River	
Muskoseepi Park	Grande Prairie	
Pioneer Museum	Grande Prairie	12,440 (1987)
Kleskun Hills (Archeological Site)	Grande Prairie	
R.C.M.P. Centennial Museum	Fairview	543 (1987)
Girouxville Museum	Girouxville	5,500 (1987)
Shaftesbury Trail (Scenic Drive) Alexander Mackenzie Cairn	Peace River	
Grizzly Bear Prairie Museum	Wanham	390 (1987)
End of Steel Museum	Hines Creek	556 (1987)
Queen Elizabeth Provincial Park (Lac Cardinal)	Grimshaw	

Local and Regional Events and Attendance

Town/Community	Date	Out-of Town	Local	Total
Grande Prairie				
Winterlude	February	1,000	4,000	5,000
Grande Prairie Stompede	June	6,000	9,000	15,000
Highland Games	June	400	800	1,200
Grande Prairie Regional Fair	July			14,000
Provincial & Canadian Team Roping Championships	October			
Lumberjack Championships	August			
Curling Bonspiels		800	1,200	2,000
Minor Hockey Tournaments				
Donnelly				
Twilight Summer Festival	August			
Dunvegan				
Pioneer Days (Unchaga)	July			4,000
Heritage Day	August			
Goldrush & Cornhuskers Jamboree	August			50
Fairview				
Waterhole Amateur Rodeo	July			
Agricultural Society Seed Fair	April			
Summer Solstice Festival	June	300-400		
Grimshaw				
North Peace Trade Fair	Mid-June			3,500
North Peace Stampede	Mid-August	1,000	4,000	5,000
Grimshaw Oilmens Curling Bonspiel (participants)	March			300
Annual Twelve Foot Davis Open (participants)	July			144

Phil's Steaks & Pancakes
Pizza Patch
Prairie Fried Chicken
Ramona Pizza & Steaks
Rick's Place
Rose's Coffee Cup
Taco Time
The Hot Pot
The Patio
The Tarmac
Trumpeter Motor Inn
Venice House
Wally's Kitchen Ltd.
Wayfare Restaurant
York Hotel

McLennan(2)
Morgan's Restaurant (McLennan Hotel)
Dining Garden Restaurant

Falher
Nic's Good Food & Drinks

Fairview(6)
Betty's Diner
Chicken Village
Dragon Inn Restaurant
Dunvegan Motor Inn
Fairview Drive-In Restaurant
Pizza Haven

Grimshaw(6)
Anthony's Pizza & Sub Shop
Chicken Village
Grimshaw Hotel
Hong Kong Restaurant
Kentucky Fried Chicken
Pizza Haven

Sexsmith(2)
JD's Place
Sam's Diner

Donnelly
Traveller's Esso Restaurant

Rycroft
Alexander's Restaurant

Eaglesham
Eaglesham Cafe

Peace River				
St. Patrick's Day Pig Race	March			2000-3,000
Trade Fair	May			6,000
Beach Fun Days	June			2,500
Agricultural Society Fair	August			
Heritage Day	August			6,000
Jay Walkers Jamboree	August			3,000
River Daze	September			4,000
- Smoky River Jet Boat Race				
Christmas Parade	December			3,000
Minor Hockey Tournaments (8)		1,000	450	1,450
Curling Bonspiels (5 major)		450	950	1,400
Rycroft				
Lions Club Fun Fair	August			
Northern Winter Frolic	February			
Triple R Days Rodeo	June			
Spirit River				
June Jamboree	June			
Peace Council Festival of Arts	September			
Wanham				
Alberta Ploughing Championships	June			

Licensed Guides

Phillip Gifford,Northern Alberta Guide Service Nampa
322-3993
Exclusively American market, he has guided 2 Canadians in 20 years! The market is virtually untapped, he has seen years of 600-700% growth in his operation. In the last few years he has curbed his operation, he needs to do little or no advertising to bring in as much business as he can handle. He is shifting the focus of his business to attracting a more regional clientelle interested in bird watching, wildlife observation, wilderness trips etc.

4. FOCUS GROUP RESPONSES

PEACE RIVER HISTORIC SITE
CONCLUSIONS BASED ON FOCUS GROUP RESEARCH

The focus group research presented in the summary tables generates several conclusions which provide the basis for several planning assumptions.

SENIORS

- Seniors will travel a distance to see historic sites - this was indicated by the response group from Calgary and Edmonton
- Seniors offer potential in the shoulder season as they indicated this was a preferable time for many of them
- Seniors ranked the site component higher than the entertainment factors such as the paddle wheeler
- Seniors will stay longer than one day
- Seniors will use either campground facilities or fixed roof [combined total of 82%]
- Seniors rank the historic site high as well as the chance for boating, camping, and they strongly urge that adequate parking be made available for their units
- Seniors indicated that they would purchase several items - they showed particular interest in artifacts, printed material, and items unique to the area
- Seniors expected to pay to visit the historic site

FAMILIES

- The family market indicated that they will visit an historic site providing there are more things for the children to do - that is, the site is not strong enough on its own to attract families
- Saskatoon market potential showed strength, Edmonton showed strength, while Calgary showed much greater interest in moving west to the mountain areas
- Family responents were evenly divided on preference of this historic site and the entertainment factors such as the paddle wheeler [approximately an equal number ranked the entertainment higher than the historic site]

- Families would stay less than one day, particularly if there were no other activities for the children

- Families ranked fixed roof facilites higher (47%) but the combined fixed roof and camping was 79% [almost identical to the seniors in total]

- Families want boating, children's activities and also indicated the need for a food store, and medical support

- Families would buy more items of interest to the children

FOCUS GROUP RESEARCH

FOCUS GROUP PARTICIPANTS

LOCATION	ORIENTATION	RESPONDENTS		
		FEMALE	MALE	TOTAL
SASKATOON	FAMILY	5	4	9
EDMONTON	FAMILY	6	4	10
CALGARY	FAMILY	5	4	9
SUB-TOTAL		**16**	**12**	**28**
CALGARY	FAMILY	6	5	11
EDMONTON	FAMILY	5	5	10
SUB-TOTAL		**11**	**10**	**21**
TOTAL		**27**	**22**	**49**

The focus groups were organized in each of the markets identified in the table. The first focus group was held in Saskatoon (1) followed by groups in Edmonton (1), Calgary (2), and Edmonton (1). The first focus group was held in late February and the last focus group was completed on March 10, 1989.

The groups were taken through two scenarios. Due to the fact that there may be some potential source of bias in the ordering of the major research content for the focus group, the order of presentation was reversed from group to group. Thus, there is one senior group that followed each order while two of the family groups had the more recreation oriented profile first and the other received the historic site component profile first. The focus group in Saskatoon received the recreation oriented component first.

The results reported in the following sections are presented in parallel for family and senior groups The data are presented on a question by question basis.

Historic Site Scenario

The focus group for the historic site component followed three steps: first, the respondents were asked to imagine an experience based on a paragraph of preliminary information; second, they were asked to identify locations where they thought they might be when they were actually experiencing this setting; and third, they were told the location was in Northern Alberta. Questions were asked between each of the three segments. The purpose was to determine their expectations as well as to uncover barriers to Northern Alberta once they were told that this is where the experience would take place.

In the case of the historic site, the following information was provided to the respondents:

> **Situation:**
> You are on a vacation. You (and your family) are visiting a historic site.
>
> **Description:**
> You have just entered the historic site. You notice that everything is as it was in the 1870's. You notice the simple, but majestic lines of the church and rectory ahead of you. The historic buildings contrast with the beautiful river valley setting. You wonder where you can purchase tickets for the paddle wheel steamer that will take you down the river.

Question 1
What are you most interested in experiencing at this site?

Seniors	Families
Review of history	Review of history
Reminisce of days gone by	Paddle steamer very attractive to children
Paddle steamer [clear second]	Chance to explain to children about transport in older days and have fun at the same time
	Paddle steamer is equal to site in attractiveness

Question 2
How long will you stay here?

Seniors	Families
One to two days	A few hours to one overnight
Average stay 1.72 days	Average stay 0.85 days

Question 3
You have decided to stay overnight in the area. What kind of accomodation will you choose?

Seniors	Families
Campground [43%]	Campground [32%]
Hotel/motel [19%]	Hotel/motel [21%]
Either camp or fixed roof [38%]	Either camp or fixed roof [47%]

Question 4
What amenities will attract you to stay in the area for several days?

Seniors	Families
The historic site	Other activities for the family
Camping/hiking potential	Children need to be entertained
Boating potential	Boating and fishing
Travel to other locations nearby	Trail rides
Adequate parking	Adequate parking

Question 5
What other activities or events in the area interest you?

Seniors	Families
Recreation options	Food store
Boating, fishing, sporting activities like golf, cross country skiing, trails	Medical support
	Local activities for family

Note: People mix the words amenities and activities in their answers

---

Question 6
What will you purchase at the historic site? At the service centre?

Seniors	Families
Memorabilia	Items for children
Gifts [particularly for grandchildren]	Books, prints, calendars
Art and artifacts [carvings, copies from molds, etchings, etc.]	Artifacts [as described for seniors]
Unique area products	
Books, prints, postcards, calendars, etc.	

Question 7
This historic site is noted for its excellent restorations, skilled interpreters, and excellent interpretive centre. How much will you pay to enter the historic site? How much will you pay for a 90 minute ride on the paddle wheel steamer?

Seniors	Families
<u>Historic Site</u>	
Price range [free to $4.00 per person]	Price range [free to $3.00 per person]
Some said a reduced price for seniors	A family rate [or carload rate]
Average price per person $2.27	Average price per person $1.90
<u>Paddle Wheel Steamer</u>	
Price range [$0.50 to $3.00 per person]	Price range [adults $1.00 to $2.50 per person] [children $0.50 to $1.50] [children under 8 free]
Some said a reduced price for seniors	
Average price per person $1.96	Average price per adults person $1.90
	Average price per child $0.75

Respondents were then asked where they thought they were located while enjoying this experience.

Seniors		Families	
B.C.	4	B.C.	7
Ontario	4	Ontario	5
Northern Canada	2	Northern Canada	2
U.S. West	6	U.S.West	9
U.S. Central	3	U.S. Central	4
U.S. East	2	U.S. East	1

A number of respondents made reference to the old historic sites in upper Canada and others referred to the historic sites in the north including a reference to the Alaska highway.

Then the respondents were told that the location was in Northern Alberta. They were asked whether they would change any of their responses based on this new information and what was the reason for the change they would make.

Seniors	Families
Not surprised	Ranged from not surprised to total surprise
No problem - would visit	No problem - would visit
Ok for any season	More seasonal [prefer summer]
Some specific reference to shoulder season	Need other things to do for the children
See answer to #4 and #5 above	[will not focus visit on site if historic site is the only thing to do - see #4 and #5 above] *"there must be something else to do"* look for boating, fishing, water base sports, other activities, etc.
Calgary seniors would try it	Saskatoon families would try it
Edmonton seniors would try it	Calgary families may try it - also competes with other locations in B.C. and the United States
	Edmonton families would try it

APPENDIX

5. FINANCIAL ANALYSIS

TYPICAL CAMPGROUND DEVELOPMENT COSTS - 110 SERVICED SITES

LAND: $20 000

Purchase, legal fees, transfer, survey, topographic maps, etc.

SITE PREPARATION: $30 000

Clearing, grading, beach improvement, etc.

SITE SERVICING: $210 000

- Off site - Access roads, electricity, natural gas, telephone
- On site - Roads, pads, parking
  - Water: well(s), filter, pump, storage, distribution, risers and taps
  - Sewage: storage, septic tank and tile field, collection, connections
  - Electrical: transformer, panels and breakers, distribution, risers, entrance and security lights
  - Telephone
  - Gas storage and distribution
  - Cable
  - Fencing, gates
  - Planting trees, shrubs

BUILDING CONSTRUCTION: $145 000

- Washhouses, showers, flush toilets
- Registration
- Laundry
- Store
- Food services
- Picnic shelters
- Garage, maintenance
- Residence
- Attraction, amusement: mini golf, dock, rentals, arcade, etc.
- Storage

EQUIPMENT, FURNITURE: $85 000

- Fixtures
- Picnic tables
- Firepits
- Interior Furnishings: office equipment, display
- Laundry
- Kitchen: freezers, etc.
- Vehicles: garbage, mowers, pump out, deliver, loader
- Rental and Entertainment: boats, cycles, tents, horses, etc.
- Signs

OTHER COSTS: $17 000

- Initial Supplies
- Paper, store, printing
- Deposits for utilities
- Licenses, permits, fees
- Legal

TOTAL: $507 000

Cost per site: $4 227

Adapted from: Alberta Department of Tourism, 1988.
Alberta's Private Campground Industry

40 UNIT TOURIST DELUXE HOTEL: Projected Statement of Income
First Year of Operations

	Licensed Restaurant	Room Rentals	Totals
Room Rentals - (Sched. 1)		$553 280	$553 280
Total Sales - (Sched. 2)	$480 440		
Total Cost of Sales - (Sched. 2)	$170 430		
Gross Margin	$310 010		
Net Revenue:			**$863 290**
Direct Expenses - (Sched. 3)	$166 500	$122 000	$288 500
Contribution to Overhead	$143 510	$431 280	$574 790
Overhead Expenses:			
Advertising and Promotion (5% of room rentals)			$27 700
Licenses, Subscriptions and Fees			$4 200
Management Fees			$40 000
Property Taxes and Licenses			$37 000
Telephone and Utilities			$80 000
Vehicle Expense			$5 000
Depreciation:			
Buildings $2 250 000 (over 40 years)			$56 250
Furnishings and Equipment $450 000 (over 5 years)			$90 000
Total Overhead Expenses:			**$355 150**
Net Profit Before Income Taxes:			**$219 640**
Return on Investment of $2 700 000			8%

40 UNIT TOURIST DELUXE HOTEL
SCHEDULE 2: Licensed Restaurnat Sales -
First Year of Operations - 64 Seats

Food Sales:	***Meal:***	***Per Day:***	***Days:***	***Totals:***
Peak Season:				
40 x 4 x .7 x .8 x $4 (*)	Breakfast	$350		
64 x 1.2 x $8 (**)	Lunch	$610		
64 x .8 x $12	Dinner	$610		
Totals:		**$1 570**	62	$97 340
Shoulder Season:				
40 x 4 x .7 x .8 x $4	Breakfast	$350		
64 x 1.0 x $8	Lunch	$510		
64 x .7 x $12	Dinner	$540		
Totals:		**$1 400**	91	$127 400
Offseason:				
40 x 2 x 5 x .8 x $4	Breakfast	$130		
64 x .8 x $8	Lunch	$410		
64 x .6 x $12	Dinner	$460		
Totals:		**$1 000**	212	$212 000
Total Food Sales:				**$436 740**
Liquor Sales:				
10% of food sales				$43 700
TOTAL SALES:			**365**	**$480 440**
Cost of Food Sales - 35%		$152 860		
Cost of Liquor Sales - 40%		$17 480		
TOTAL COST OF SALES:		**$170 340**		

(*) 40 # Rooms x 4 # Patrons x .7 % Occ. x .8 % Brkfst.

(**) 64 # Seats x 1.2 % Brkfst.

Schedule 1: Room Rates

October - April:	30 Weeks; 8 400 Room Nights Occupancy 50% = 4 200 Nights
May - September:	22 Weeks; 6 160 Room Nights Occupancy 50% = 4 312 Nights
TOTAL:	8 512 Nights (x2) = 17 024 People
REVENUE:	8 512 x $65.00 = $553 280

Schedule 3: Direct Expenses
40 Unit Tourist Deluxe Hotel

First Year of Operations

Direct Expenses:		
Freight	2 000	
Insurance	2 000	18 000
Laundry	1 500	12 000
Repairs and Maintenance	1 000	12 000
Small Wares and Supplies	10 000	
Wages and Benefits	150 000	80 000
Total Direct Expenses:	$166 500	$122 000

APPENDIX

6. AUTO ACCESS CAMPING DEMAND

CAMPING DEMAND - PEACE RIVER AREA

	TOTAL DEMAND (site nights)	PEACE RIVER POTENTIAL		
		LOW	MED	HIGH
1. Local Market	51 000	20 400	23 000	25 500
2. Secondary Market	42 000	12 600	15 000	16 800
3. Tertiary Market	630 000	18 900	25 000	31 500
4. Alaska Highway	15 000	1 500	2 250	3 000
5. Fringe Markets (N. Sask., Yukon, N.W.T.)	200 000	2 000	3 000	4 000
TOTALS		55 400	68 300	80 800
Population Growth to 1994		8 600	10 300	11 900
TOTALS (1994)		64 000	78 600	92 700